

The end of hourly billing: Ignition's 2025 benchmark signals pricing shift for firms

Latest 2025 report shows gradual rise of upfront billing, with 80% of firms set to raise fees in 2026 as business costs climb

SAN FRANCISCO, CA, UNITED STATES, August 21, 2025 /EINPresswire.com/ -- Ignition, the recurring revenue and billing automation platform for firms and agencies, today released the [2025 U.S. Accounting and Tax Pricing Benchmark Report](#), revealing a decisive shift away from hourly billing toward strategic, value-driven pricing models. Now in its second year, the report benchmarks fees and pricing trends to provide accounting firm owners with insights to price for profitability.



“This year’s benchmark reveals more than just another round of price hikes - it’s a shake-up in how accounting firms think about and manage pricing,” said Greg Strickland, CEO of Ignition. “The era of hourly billing is fading fast. More firms are seizing the opportunity to price based on the real value they deliver to drive more sustainable profitability.”

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The demise of hourly billing

With the exception of tax planning and advisory services, 10% or fewer firms report charging hourly for services benchmarked in the survey. Only 3% charge hourly for tax prep services. Hourly billing for CFO/Controller services fell

dramatically from more than 20% to 10%. Tax planning and advisory services have more diverse pricing, which reflects the bespoke nature of the work. Still, only 17% of firms charge hourly for these advisory services, down from 20% last year.

Steady shift to upfront collections

To secure cash flow predictability, more firms are embracing upfront billing for tax preparation services. 31% collected a deposit upfront (vs. 26% in 2024), although the number of firms collecting the full fee upfront remained steady at 13%.

Rising business costs drive price hikes

The report highlights 4 in 5 firms (80%) will raise prices by an average of 5-10% in 2026. Nearly half of surveyed firms cited rising costs as their primary reason for price increases. However, compared to the 2024 benchmark, more firms are viewing pricing as a profitability lever rather than a reactive cost measure. Over 9% cite revenue growth as their reason for raising prices (up from 5% last year), and 18% to improve profit margins (up from 12%).

Firms shouldn't fear raising prices

Accounting firms have historically been hesitant to raise prices. The top reason, cited by 28% of firms, is the fear of losing clients. Another 8% cite uncertainty about what other firms are charging. However, the report shows two-thirds of respondents that raised prices in the past year said they either lost no clients, or lost some, but profitability stayed stable.

Fees for common services remain steady YoY

The 2025 benchmark also uncovered the typical pricing for common accounting and tax services. Most price ranges remained the same from 2024, as firms continued to hold on changing pricing, or increased only by small percentages.

- * Individual tax returns: The most common fees are between \$400-\$599 per return (27% of firms)
- * Business tax returns: The most common fee range is \$1,000-\$1,499 annually (29%)
- * Tax planning and advisory services: The largest percentage of firms (25%) said they charge more than \$2,000 annually for these strategic services
- * Monthly bookkeeping and accounting: These services most commonly run \$250-499 per month (29%)
- * CFO and controller services: A more specialized offering, the most common pricing cited was more than \$2500 per month (23%)

Ryan Lazanis, CPA, CEO of Future Firm and former Ignition customer, said, "This year's report reflects exactly what we'd expect from the market in this environment. Firms can no longer afford to underprice their services. Moreover, a 5-10% increase is conservative for most firms. I'd recommend larger hikes. Use your price increases strategically and don't fear losing unprofitable clients. If clients always accept your prices, you're probably not charging enough."

To enable firms to price with greater confidence and optimize revenue, Ignition plans to launch [AI-powered pricing intelligence](#) later this year.

Background on Ignition's Accounting and Tax Pricing Benchmark

Ignition's latest pricing benchmark report is the result of a survey of 219 US-based accounting

firms using Ignition. Offering a clear national picture, the report covers pricing models, service fees, and projected fee changes across service lines, including: tax preparation, tax planning and advisory, bookkeeping and accounting, and CFO/controller services.

The 2025 U.S. Accounting and Tax Pricing Benchmark Survey is available to download at:

<https://www.ignitionapp.com/us/2025-accounting-tax-pricing-benchmark>.

The on-demand webinar on pricing benchmark insights with accounting thought leaders such as Ryan Lazanis (Future Firm) is available at: [What are others charging? 2025-26 Pricing benchmark insights](#).

About Ignition

Founded in 2013, Ignition is the recurring revenue and billing automation platform for firms and agencies to transform their sales, billing and payment processes. Ignition automates proposals, invoicing, payments and workflows in a single platform, empowering 8,000+ businesses to sell, bill and get paid for their services with ease. To date, Ignition customers have managed relationships with over 1.9 million clients and earned \$9b in revenue via the platform. Ignition's global workforce spans Australia, Canada, New Zealand, the Philippines, US and the UK. Learn more at www.ignitionapp.com.

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