A QUICK REFERENCE GUIDE

AMAZON FBA

FEE CHEAT SHEET

Understanding Amazon FBA Fees — Without the Overwhelm

Created by SimpleLifeCalc.com

Written for:
Beginner FBA sellers • Private label sellers • Wholesale sellers
Simple, practical, and beginner-friendly — no experience required.

Fee structures change. Always confirm current rates in Amazon Seller Central.

Contents

HOW TO USE THIS GUIDE

Read it once start to finish (about 15 minutes). Then keep the Final Cheat Sheet on page 12 next to your computer whenever you price a new product.

Words in bold are key terms, explained in plain English the first time they appear. The dollar figures in this guide are illustrative examples only — your real rates live in Seller Central.

1. Understanding FBA Fees

FBA stands for **Fulfillment by Amazon**. In plain terms: you send your products to Amazon's warehouses, and Amazon stores them, packs them, ships them to customers, and handles returns and customer service for you. It's like renting Amazon's entire delivery machine instead of shipping every order from your kitchen table.

In exchange, Amazon charges fees. The trick to staying calm about fees is to realize they fall into just a few buckets. Master the buckets and the whole picture gets simple.

The three fees you'll meet on almost every sale

Fee bucket	What you're paying for	Charged
Referral fee	A commission for selling on Amazon's marketplace	Every sale
Fulfillment fee	Picking, packing, and shipping each unit	Every sale (per unit)
Storage fee	Warehouse space your inventory takes up	Every month

Those three cover most of what you'll pay. There are also **situational fees** that only appear in certain cases — you'll meet the most common ones later in this guide:

- **Aged-inventory surcharges** — extra charges when stock sits unsold too long.
- **Inbound placement fees** — for sending inventory into Amazon's network.
- **Low-inventory fees** — when you run too lean on stock.
- **Removal and disposal fees** — to pull or discard inventory you no longer want stored.
- **Seasonal surcharges** — fulfillment and storage typically cost more during the Q4 holiday peak.

💡 **BEGINNER TIP**

Don't try to memorize exact numbers. Amazon updates its fees regularly. Instead, learn what each fee is FOR — then look up the current amount in Seller Central when you price a product. That habit will serve you for your entire selling career.

⚠️ **ALWAYS VERIFY**

Every dollar figure and percentage in this guide is an illustrative example to show how the math works — not a current rate. Amazon publishes the live rates in Seller Central and its Fee Schedule. Check there before making pricing decisions.

2. Referral Fees Explained

A **referral fee** is Amazon's commission — its cut for connecting your product to millions of shoppers and handling the payment. Think of it as rent for a spot in the world's busiest store.

How it works

- **It's a percentage of the total sale price** (item price plus any shipping you charge), not a flat dollar amount.
- **The percentage depends on the product category.** Categories like electronics often sit at the lower end; categories like jewelry sit at the higher end. Most everyday categories fall somewhere in the middle.
- **There is usually a minimum referral fee** per item, so very cheap products still carry a small floor charge.

A simple illustration

Imagine you sell a product for $40, and your category's referral rate is 15% (an example rate — confirm yours in Seller Central):

Step	Example math	Result
Sale price	—	$40.00
Referral fee	15% × $40.00	**$6.00**
Amazon's commission	Deducted automatically	**$6.00**

The referral fee is taken automatically from the sale before Amazon pays you — you never send a separate bill.

💡 **BEGINNER TIP**

Before you commit to a product, look up its category's referral rate in Seller Central. The same item can be more profitable in one category than another, and category choice is one of the few fee levers fully in your control.

WHOLESALE & PRIVATE LABEL NOTE

Referral fees work the same whether you sell your own brand (private label) or resell other brands (wholesale). The category sets the rate — your business model does not change it.

✖️ **COMMON MISTAKE**

Forgetting the referral fee applies to the shipping you charge too, not just the item price. Always include shipping in your fee math.

3. Fulfillment Fees Explained

The **fulfillment fee** (sometimes called the “pick and pack” fee) is what Amazon charges to physically get your product to the customer: picking it off the shelf, packing the box, and shipping it. You pay this **per unit sold**.

What drives the fee up or down

- **Size tier** — Amazon sorts products into tiers like “small standard,” “large standard,” and “oversize.” Smaller items cost less to ship.
- **Weight**
- **Dimensional weight** — a measure of how much space a package takes up. A big, light box can be charged as if it were heavier because it hogs shipping space.
- **Season** — fulfillment fees commonly rise during the Q4 holiday rush.

Why smaller and lighter usually wins

Because the fee is driven by size and weight, two products that sell for the same price can have very different fulfillment costs. Here’s an illustration (example figures only):

Product	Size tier	Example fulfillment fee
Lightweight phone case	Small standard	$3.30
Boxed kitchen gadget	Large standard	$5.50
Bulky floor lamp	Oversize	$12.00+

Same shopper, very different economics. This is why experienced sellers favor compact, lightweight products — the fulfillment fee quietly shapes your whole margin.

💡 **BEGINNER TIP**
Measure and weigh your product in its final packaging before sourcing a large quantity. Shaving an inch or an ounce can sometimes drop you into a cheaper size tier and lift your profit on every single unit.

⚠️ **ALWAYS VERIFY**
Size-tier definitions and the fees attached to them change over time, and seasonal surcharges come and go. Look up the current fulfillment fee for your exact size tier in Seller Central or Amazon’s Fee Schedule before pricing.

4. Storage Fees Explained

A **storage fee** is rent for the warehouse space your inventory occupies. Unlike referral and fulfillment fees (charged when something sells), storage is charged **every month, whether your items sell or not**.

How storage is calculated

Storage is based on **volume** — how many cubic feet your inventory takes up — not weight. The rough idea:

THE STORAGE IDEA (SIMPLIFIED)

Monthly storage ≈ cubic feet stored × the current monthly rate

Amazon measures your average daily volume across the month, so selling through inventory partway through the month lowers the charge.

Two things that make storage expensive

1. **Peak season (Q4).** From around October through December, monthly storage rates jump significantly because warehouse space is in high demand for the holidays.
2. **Aged inventory.** When products sit unsold for a long time, Amazon adds an **aged-inventory surcharge** on top of normal storage. The longer it sits, the more it stings. This is Amazon nudging you to keep inventory moving.

Storage is the fee that most often surprises new sellers, because it's easy to forget you're being charged for boxes just sitting on a shelf.

💡 **BEGINNER TIP**

Send inventory in quantities you can realistically sell within a few months. "Buy big to save on unit cost" can backfire if half the order sits in storage racking up monthly fees and aged-inventory surcharges.

✖️ **COMMON MISTAKE**

Overstocking before Q4 and getting hit with peak-season storage rates on slow-moving products. Many sellers thin out slow inventory before the peak window begins.

⚠️ **ALWAYS VERIFY**

Monthly rates, the peak-season window, and the aging timeline all change periodically. Confirm the current storage rates and aged-inventory thresholds in Seller Central before planning large shipments.

5. Fee Planning Worksheet

Print this page and fill it in for each product before you commit to it. Look up the current rates in Seller Central as you go — this worksheet shows you where each number belongs.

Part A — The money coming in

Product name: ____

Planned selling price: $ ____

Part B — Amazon’s fees (look up current rates)

Referral fee (category % × price): $ ____

Fulfillment fee (from your size tier): $ ____

Estimated monthly storage per unit: $ ____

Any situational fees you expect: $ ____

TOTAL AMAZON FEES (add the four lines above): $

____

Part C — Your own costs

Product cost (what you paid per unit): $

____

Inbound shipping to Amazon per unit: $

____

Advertising / PPC per unit (estimate): $

____

TOTAL YOUR COSTS: $ ____

Part D — The bottom line

Profit per unit = Price − Total Amazon fees − Total your costs: $

____

Profit margin = Profit ÷ Price, as a %: ____

Example: $10 profit ÷ $40 selling price = 25% profit margin.

WORKSHEET PROMPTS — THINK IT THROUGH

- Is this product still profitable using PEAK-SEASON storage rates, not just off-season?
- If Amazon raised fulfillment fees a little next year, would this product survive?
- Could a smaller package or different category lower my fees without hurting sales?

6. Profit Protection Checklist

Run through this list for every product. Each checkmark is a small habit that protects your profit from quietly disappearing into fees.

Before you source a product

- ☐ I looked up the category’s current referral rate in Seller Central.
- ☐ I identified the product’s size tier and its current fulfillment fee.
- ☐ I measured and weighed the product in its final packaging.
- ☐ I estimated monthly storage, including a peak-season (Q4) scenario.
- ☐ I calculated profit per unit AFTER all fees — not just revenue.

Before you ship inventory in

- ☐ I’m sending a quantity I can realistically sell within a few months.
- ☐ I checked for inbound placement options that could lower fees.
- ☐ I noted the aged-inventory timeline so stock won’t sit too long.

Ongoing, every month

- ☐ I review my fee reports in Seller Central.
- ☐ I watch my Inventory Performance Index (IPI) / inventory health.
- ☐ I remove or discount slow movers before they trigger surcharges.
- ☐ I re-check my prices whenever Amazon announces a fee change.

💡 BEGINNER TIP

Profit margin is your safety buffer. Many sellers aim to keep a comfortable cushion after ALL fees so that a single fee increase, a return, or a slow month doesn’t push a product into the red.

⚠️ ALWAYS VERIFY

Fee reports and inventory-health tools live inside Seller Central and reflect your real, current numbers. Trust those over any printed estimate — including this one.

7. Common Fee Mistakes

Every mistake below has cost a real seller real money. Read them now so they never cost you.

1. **Confusing revenue with profit.** “I sold $5,000 this month!” can mean far less after referral, fulfillment, storage, ads, and product cost. Always track profit, not just sales.
2. **Forgetting storage is monthly and ongoing.** It’s charged whether or not anything sells. Slow inventory bleeds money quietly.
3. **Ignoring dimensional weight.** A big but light product can be charged like a heavy one because it takes up shipping space.
4. **Overstocking before Q4.** Peak-season storage rates can turn a smart bulk buy into a costly one if the stock doesn’t move.
5. **Letting inventory age.** Aged-inventory surcharges grow the longer products sit. Keep stock moving or remove it.
6. **Picking the wrong category.** The same item can carry different referral rates in different categories. Choose deliberately.
7. **Pricing with last year’s fees.** Amazon updates fees periodically. A price that worked last year may lose money today.
8. **Skipping the calculator.** Guessing at fees instead of running the numbers is the fastest way to sell at a loss.
9. **Forgetting fees apply to shipping you charge.** Referral fees usually include the shipping portion of the sale.
10. **Not budgeting for returns and situational fees.** Removal, returns processing, and low-inventory fees all chip at margin.

✖️ THE BIGGEST MISTAKE OF ALL

Assuming fees are fixed forever. They are not. The sellers who stay profitable are the ones who re-check current rates in Seller Central and re-run their numbers regularly.

8. Quick Reference Summary

The whole guide, distilled. (Figures are illustrative — confirm live rates in Seller Central.)

Fee	What it pays for	Based on	When charged
Referral	Marketplace commission	% of sale price, by category	Every sale
Fulfillment	Pick, pack, ship per unit	Size tier & weight	Every sale (per unit)
Storage	Warehouse space	Cubic feet stored	Every month
Aged-inventory	Penalty for old stock	How long it has sat	Monthly, once aged
Inbound placement	Getting stock into network	Shipment & location	On inbound
Inventory-level surcharges	Running too lean	Stock level vs. sales	When understocked
Removal / disposal	Pulling or trashing stock	Per unit & size	When requested

THE ONE FORMULA TO REMEMBER

Profit = Selling Price − Amazon Fees − Your Costs

Amazon Fees = referral + fulfillment + storage (+ any situational fees). Your Costs = product cost + inbound shipping + advertising.

💡 **THREE HABITS THAT PROTECT PROFIT**

1. Look up current fees in Seller Central before pricing anything.
2. Run every product through a calculator, including a peak-season scenario.
3. Keep inventory moving so storage and aging fees stay small.

9. Calculator Resources

Doing fee math by hand works, but a good calculator makes it instant and removes the guesswork. Two calculators belong in every FBA seller's toolkit:

Amazon FBA Profit Calculator

An **FBA Profit Calculator** tells you what you'll actually keep after fees. You enter your selling price, product cost, and product size/weight, and it estimates referral and fulfillment fees, subtracts your costs, and shows your profit and margin.

- Best for: deciding whether a product is worth selling at all.
- Use it before sourcing, and again whenever Amazon changes its fees.
- Always plug in the current rates from Seller Central for the most accurate result.

Break-Even Calculator

A **Break-Even Calculator** answers a different question: "What's the lowest price I can charge and still not lose money?" It adds up every cost — fees plus your own — and shows the price where profit equals zero.

- Best for: setting a price floor before running promotions or discounts.
- Keeps you from accidentally pricing below cost during a sale or price war.
- Pairs perfectly with the Profit Calculator: one finds your floor, the other shows your upside.

💡 BEGINNER TIP

Free versions of both the Amazon FBA Profit Calculator and the Break-Even Calculator are available at SimpleLifeCalc.com — built to be simple and beginner-friendly, just like this guide.

HOW TO USE THEM TOGETHER

1. Run the Break-Even Calculator first to find your lowest safe price.
2. Run the Profit Calculator at your planned price to see your expected profit.
3. If the gap between the two is comfortable, you have a healthy margin to work with.

⚠️ ALWAYS VERIFY

A calculator is only as accurate as the rates you feed it. Confirm current referral, fulfillment, and storage rates in Seller Central, then enter those numbers.

10. Final Cheat Sheet

Save this page or print it and keep it nearby. Everything that matters, on one page.

The 3 core fees

Fee	Remember this
Referral	A % of the sale, set by your category. Confirm your category's rate.
Fulfillment	Per unit, driven by size tier & weight. Smaller + lighter = cheaper.
Storage	Monthly rent on warehouse space. Worse in Q4 and for aged stock.

Before you price anything

- ☐ Look up current referral, fulfillment & storage rates in Seller Central.
- ☐ Measure & weigh the product in its final packaging.
- ☐ Run it through a Profit Calculator AND a Break-Even Calculator.
- ☐ Check that it stays profitable at peak-season storage rates.
- ☐ Leave a margin cushion for returns, ads, and future fee increases.

THE ONLY FORMULA YOU NEED

Profit = Selling Price − Amazon Fees − Your Costs

💡 **GOLDEN RULE**

Fees change. Your habit of checking them shouldn't. Verify current rates in Seller Central, run the numbers, and keep inventory moving — do that, and fees become just another line in your plan, not a source of stress.

You've got this. Sell smart! 📦

Visit SimpleLifeCalc.com for free calculators, guides, worksheets, and seller resources.

Always confirm current FBA fees in Amazon Seller Central before making pricing decisions.