

Vocabulary

<p>Sales Tax: a % of extra \$ you pay when you buy something.</p> <p style="text-align: center;">*ADD.</p>	<p>Tip or Gratuity: a % of \$ that we give for good service.</p> <p style="text-align: center;">*ADD.</p>
<p>Markup: An item has <u>increased</u> in price by a %.</p> <p style="text-align: center;">*ADD.</p>	<p>Selling Price: total <u>after</u> a markup.</p>
<p>Discount: An item has <u>decreased</u> in price by a %</p> <p style="text-align: center;">*SUBTRACT</p>	<p>Sale Price: total <u>after</u> a Discount.</p>
<p>Subtotal: total <u>BEFORE</u> anything else.</p>	

Steps: ① Locate the original amount.

② Calculate the tip, tax, markup or discount.

$\% \text{ of original}$

tip, disc.

$$\text{OR } \frac{\text{tax } \$}{\text{orig.}} = \frac{\text{tax } \%}{100}$$

③ A) If it just wants the tip, tax.... You're Done!

B) Total? ADD OR SUBTRACTED

Ex. 1: Drew wants to buy exercise equipment that costs \$140 and the sales tax is 5.75%. What is the tax on the equipment? What is the total cost of the equipment?

$$\frac{\text{tax \$}}{\text{WHOLE}} = \frac{\text{tax \%}}{100}$$

$$\frac{x}{140} = \frac{5.75}{100}$$

$$140 \cdot 5.75 = 100x$$

$$\frac{805}{100} = \frac{100x}{100}$$

$$\$8.05 \text{ tax} = x$$

+ on tax

$$\begin{array}{r} 140.00 \\ + 8.05 \\ \hline \$148.05 \\ \text{total} \end{array}$$

Ex. 2: A customer wants to tip 15% on a restaurant bill that is \$35. What will be the total bill with tip? + it on!

15% of \$35

$$.15 \cdot 35 = \$5.25 \text{ tip.}$$

$$\begin{array}{r} \text{Total} \\ 5.25 \\ +35 \\ \hline \$40.25 \end{array}$$

Ex 3: A cell phone is on sale for 30% off. If the original price is \$239.89, what is the sale price? - it off!

30% of \$239.89

$$.30 \cdot \$239.89 = 71.967$$

\$71.97 Discount

$$\begin{array}{r} 239.89 \\ - 71.97 \\ \hline \$167.92 \\ \text{total} \end{array}$$

Notes 8-5

Unit 1

Sales Tax, Tips, Markups and Discounts

Unit 8

Ex. 4: A haircut costs \$20. Sales tax is 6.75%. Is \$25 sufficient to cover the haircut with tax?
 + it on
 enough

Ex. 5: A DVD normally costs \$22. This week it is on sale for 25% off the original price. What is the sale price of the DVD?
 - it off

Ex. 6: Find the total cost of a spa treatment of \$42 when you give a 20% tip.
 + it on!