

Discount and Tax

Name: _____

Thinking About It: In your own words, describe what each of the following terms mean, and then the processes involved with them.

Discount:

What is a discount: _____

How to find the discounted price: _____

Tax:

What is a tax: _____

How to find the price including tax: _____

1. The table below lists the prices of various items. The sales tax rate for this problem is 8%.

Video Games	Movies and Entertainment	Music	Sports	Clothing/ Accessories
Xbox 360- 4GB \$179.00	Blu-Ray Player \$78.00	16GB Ipod Touch \$225.00	Baseball Glove \$23.29	Dress \$65.00
Xbox One \$499.00	DVD Player \$33.00	Acoustic Guitar Starter Pack \$179.02	Officially Sized Football \$18.92	Purse \$45.30
Playstation 3 \$215.00	Projector \$449.52	Ariana Grande CD \$10.00	Soccer Ball \$11.50	Aeropostale Jeans \$29.99
Playstation 4 \$477.42	60 in. TV \$845.00	Starter Trumpet \$129.50	Youth Goalie Hockey Pads \$56.35	Tuxedo Shirt \$17.30
Wii U \$315.90	Popcorn Maker \$179.00	Tama Drum Set \$800.00	Tennis Racket \$35.00	Tuxedo \$179.00
Nintendo 3DS \$188.98	Air Popper \$19.88	Bass Guitar Starter Pack \$119.95	Nike Running Shoes \$77.00	Pi Shirt \$3.14

Answer the following questions:

a) From the items listed on the table above, choose three of them:

b) Find the total cost of the items before tax:

c) Now find the sales tax for the order:

d) What is the total cost of the purchase?

e) If they gave us a discount of 20% after tax was included, find the value of the *post-tax discount* (Note, in real life, we do the discount before the tax; but we are just going to make a point).

f) Find what the total price with the *discount following the tax*.

g) Let's assume that we had a coupon for 20% off of the total purchase, before tax (basically we are being asked to use our answer from part b). Find the value of the *pretax discount*:

h) What is the price after applying our discount?

i) What is the amount of tax on the discounted price?

j) Now let's find the price of the object after taking the discount *then* adding the tax (as we would in real life).

k) Explain any similarities or differences. What effect does the order have on our answer, if any?

Tips

Name: _____

Thinking About It: In your own words, describe what the following term means, and then the processes involved with it.

Tip:

What is a tip: _____

How to find the total price including tip: _____

1. At Rockin' Rick's Lean and Mean Cuisines, Jerome is their top waiter. He brings friendly service with a smile. Due to his great attitude and work ethic, he often receives great tips. The table he had waited on, had a bill that totaled out to \$142.32. If the customers left him a tip of 25%, answer the following questions:

a) What was the value of the tip he received?

b) What was the total cost of the meal with the tip?

2. Sally the waitress had just finished waiting on a couple of her "regulars" (or clients she sees frequently). Their total bill came to \$32.00. If they left her a tip of \$6.40, what percentage tip did they leave her?

3. At "Mom and Pop's" Diner, they have the best cheeseburgers around. They mainly sell burgers, but do offer a few other items. The menu is listed below:

Item:	Hamburger	Cheeseburger	French Fries	Homemade Chips	Cole Slaw
Price:	\$6.00	\$6.50	\$1.25	\$1.50	\$1.25

a) What would be the cost of ordering two hamburgers and an order of French fries?

b) If Sherman ordered two hamburgers and an order of French fries, and the sales tax percentage is 8.5%, find the cost of the food plus tax:

c) If the tip amount is to be figured out *before the sales tax is added*, find the value of the tip *before tax*. We will use the standard tip of 15% for this problem.

d) What is the total cost of the meal after sales tax and tip?

4. Sam was at a restaurant and was feeling awfully generous. He decided that he was going to leave his tip based on the price of the meal *after tax (including tax)*. The sales tax rate for Rochester, NY is 8%. If the bill was \$28.00 before tax and tip, and he leaves a 15% tip, what was the total bill?