



# Taxes and Discount



# What is Sales Tax

**Sales tax** is money collected by local and federal government when you purchase something.

This is a **percent** of the cost of the item.

# Tax Rap



# What is a Discount

**Discount** is the amount of money taken off the original price of an item





# Calculating Sales Tax

**Step 1:** Change the sales tax percent (%) to a decimal

**Step 2:** Multiply the decimal by the cost of the item

**Step 3:** Round to the hundredth place  
That is, two numbers after the decimal point



# Calculating Discount

**Step 1:** Convert the percent to a decimal

**Step 2:** Multiply the decimal by the original price of the item

**Step 3:** Round your discount to the hundredth place

# Formulas

## MAIN IDEA

Solve problems involving sales tax and discount.

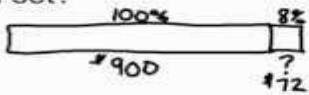
## New Vocabulary

sales tax      decimal  
1.  $(\% \text{ tax}) \times \text{price} = \text{total tax}$   
2.  $\text{total tax} + \text{price} = \text{final price}$

discount      decimal  
1.  $(\% \text{ discount}) \times \text{price} = \text{total discount}$   
2.  $\text{price} - \text{total discount} = \text{final price}$

# Calculating Sales Tax and Discount

Alejandro bought a television set for \$900 and paid a sales tax of 8%. How much did he pay for the television set?



He paid \$972.

$$\begin{array}{r} 900 \\ \times .08 \\ \hline 7200 \end{array}$$
$$\begin{array}{r} \$900 \\ + 72 \\ \hline \$972 \end{array}$$

The image shows a handwritten solution to a math problem. It includes a bar diagram representing the \$900 price and an 8% tax segment, two multiplication calculations to find the tax amount (\$72), and a final addition showing the total amount paid (\$972).





# Let's Solve

James buys a video game for his Xbox for \$49.99, a controller for \$34.95, and a walk through manual for \$19.99. The sales tax in his area is 8.25%. What will be the total cost of his purchase?

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# Solution

Step 1: Add the cost of all the items purchased.

$$\$49.99 + \$34.95 + \$19.99$$

$$\$104.93$$

Step 2: Change 8.25% to a decimal

$$0.0825$$

Step 3: Calculate the discount by multiplying

$$0.0825 \text{ by } \$104.93 = \$8.656725$$

Step 4: Round to the nearest hundredth

$$\$8.66$$

Step 5: Add the discount to the cost of all the items

$$\$104.93 + \$8.66$$

$$\$113.59$$

**The total cost of his purchase is \$113.59**



# Let's Solve

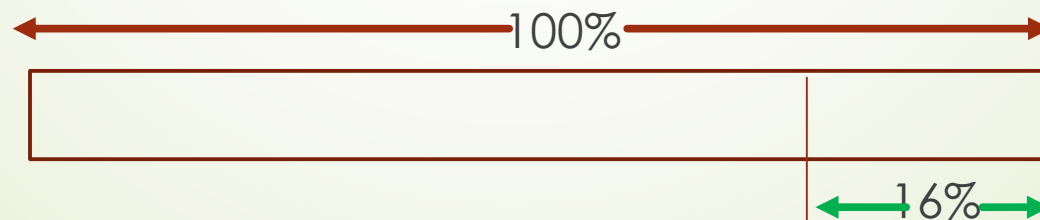
Jiffy Lube has its regular prices \$45 tune-up on sale for 16% off its regular price.

What is the sale price?

# Let's Solve

Jiffy Lube has its regular prices  $\$45$  tune-up on sale for  $16\%$  off its regular price.

What is the sale price?





# Solution

Step 1: Change 16% to a decimal

$$0.16$$

Step 2: Find the discount by multiplying 0.16 by \$45

$$0.16 \cdot \$45 = \$7.20$$

Step 3: Subtract \$7.20 from \$45

$$\$45 - \$7.20 = \$37.80$$

**The sale price of the tune up is \$37.80**