

8.30 - Questions Handout #s 1 - 12

Key Ideas

- Taxes are extra costs that retailers must collect on sales and send to the government.
- The two taxes added onto purchases in Ontario are the Provincial Sales Tax (PST) and the Goods and Services Tax (GST).
- A discount is an amount subtracted from the regular price of an item to give a sale price.
- To calculate the final price of an item, first subtract any discounts. Then, add the sales taxes that apply.

shirt	\$35.99
PST	\$2.88
GST	\$2.52
TOTAL	\$41.39

Communicate the Ideas

1. What is the difference between a sale price and a final price?
2. List the steps you would use to find the final price on an item that is on sale at a 20% discount.



Check Your Understanding

Practise

For help with questions 3 to 6, refer to Example 1.

3. Find the 7% GST on each item.
 - a) a concert ticket that cost \$20
 - b) a haircut that costs \$15
 - c) a pen that costs \$1.99
4. Find the 8% PST on each item.
 - a) a hair brush that costs \$10
 - b) a jacket that costs \$85.50
 - c) a card that costs \$1.99
5. Find the PST and the GST on each item.

	Item	Price
a)	CD	\$18.99
b)	In-line skates	\$325.00
c)	Scarf	\$10.95
6. Find the total cost of each item, including PST and GST.

	Item	Price
a)	CD player	\$79.00
b)	Earrings	\$9.50
c)	Watch	\$128.00

For help with questions 7 to 9, refer to Example 2.

7. Estimate, then calculate, each discount.

- a) 25% off jeans at \$48.99
- b) 20% off museum admission at \$32.00
- c) 30% off a digital camera at \$299.95

8. A clothing store has an end-of-season sale. All items are discounted by 30%. Estimate, then calculate, the sale price of each item. Then, find the final price of each item including taxes.

	Item	Price
a)	Sweater	\$59.00
b)	Gloves	\$8.79
c)	Coat	\$209.95

9. Estimate, then calculate, the sale price of each item. Then, find the final price of each item including taxes.

	Item	Regular Price	Discount
a)	T-shirt	\$9.79	50%
b)	Crayons	\$4.59	10%
c)	Computer	\$1199.00	30%

Apply

10. a) Find three advertisements in a flyer, magazine, or newspaper that give a regular price and a percent discount.
 b) Estimate the final price of each item.
 c) Calculate the discount, sale price, total taxes, and final price of each item.
 d) State any assumptions you needed to make.
 e) Compare your estimates to your calculated values. Are you getting any better at estimating final prices? When you go shopping, try to estimate the final price before the cashier rings it up.

11. A shirt has a regular price of \$30. You notice that it is now marked at 15% off.



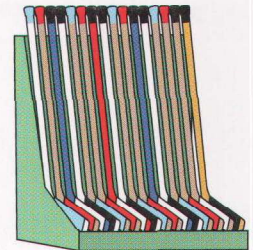
The final price will be \$30. The discount will just cancel out the sales tax.

Is Matt correct? Show calculations to support your answer.



12. The price of a hockey stick is \$24.99. You must pay PST and GST on hockey sticks.

\$24.99



- a) Find the total cost, including taxes, for one hockey stick.
- b) Solve part a) using a different method.
- c) The store delivers flyers with 20% discount coupons. What is the total price of two sticks with the discount?

Extend

13. When you eat at a restaurant, it is normal to leave a tip that is between 10% and 15% of the bill, depending on the quality of service.

Mixed greens salad x2	\$11.00
Vegetable pizza	\$6.00
Risotto	\$7.00
Total	\$24.00
Thank you!	

- a) Suppose your food bill totals \$24.00. What range of tip would be acceptable, assuming good service?
- b) The GST and PST are usually shown on the bill. Describe how you can use this information to estimate the tip.