

Bell Ringer #1

Turn to p. 233 and do Problems 13-27

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SALES TAX - a tax that a state may charge on the selling price of an item or service that you purchase.

Does every state have a sales tax?

No. 5 do not. They are Alaska, Delaware, Montana, New Hampshire, and Oregon



Does Indiana have a sales tax? *yes*

What is the Sales tax rate in Indiana? *7%*

What does this really mean? *7¢ for every \$1*



Important Formula for this lesson

$$\text{Sales Tax} = \text{Total Selling Price} \times \text{Sales Tax Rate}$$

This must be entered with a % sign or changed to decimal form first.

For Indiana use 7% or .07

Example 1- I DO

Aleta Carbajal bought a cell phone for \$199.95 and a phone case for \$19.95. What is the total sales tax if she lives in Nashville, Tennessee where the state sales tax is 7% and the city tax is 2.44%?

Step 1 Find the total selling price: $\$199.95 + \$19.95 = \$219.90$

Step 2 Find the total tax rate: $7 + 2.44 = 9.44\%$

Step 3 Find the sales tax amount: $\$219.90 \times 9.44\% = 20.75856$

Step 4 Round to the nearest cent: $\$20.76$

Example 2 is - "WE do"

Total Selling Price: \$420.00

Maine Sales tax rate 5 percent

Find the sales tax.

$$\text{\$420} \times 5\% = \text{\$21}$$

Example 3 - "You do"

Total Selling Price: \$2,520

Florida sales tax rate: 6%

Gainesville sales tax rate: 1 percent

Find the the total tax.

$$6 + 1 = 7\% \text{ TOTAL tax}$$

$$\text{\$2,520} \times 7\% = \text{\$176.40}$$



Not on the calculator, you have to know to put it there for money has 2 decimal places.

Chapter 6 Lesson 2: Total Purchase Price Obj: To calculate the total purchase price.

Sales Receipt: Usually a cash register slip as proof of purchase.

Total Purchase Price: Total selling Price + Sales Tax (what we pay)

Important Formulas for this lesson

- * **Sales Tax = Total Selling Price x Sales Tax Rate**
- ▢ **Total Purchase Price = Total Selling Price + Sales Tax**

Chapter 6 Lesson 2: Total Purchase Price Obj: To calculate the total purchase price.

Example # 4 - WE do

A store in Madison, Wisconsin, advertised a smoke alarm for \$24.95 and a fire extinguisher for \$39.95. What is the sales tax if the combined state and city tax is 6 percent? What is the total purchase price?

Step 1: Find the total selling price.

$$\$24.95 + 39.95 = \underline{\$64.90}$$

Step 2: Find the sales tax.

$$\$64.90 \times 6\% = \boxed{\$3.89}$$

Step 3: Find the total purchase price.

$$\$64.90 + 3.89 = \boxed{\$68.79}$$

Chapter 6 Lesson 2: Total Purchase Price Obj: To calculate the total purchase price.

Example # 5 - YOU do.

Kate Farison bought a dome tent priced at \$179.50 and a propane stove priced at \$39.50 in Dallas, Texas where the combined city and state sales tax rate is 8.25%. Find the total purchase price.

$$\text{\$179.50} + 39.50 = \text{\$219}$$

$$\text{\$219} \times 8.25\% = \text{\$18.07}$$

$$\text{\$219} + 18.07 = \text{\$237.07}$$

Example #6 - WE do

William Eyawat bought 2 two-way radios for \$59.99 each, and 2 surge protectors at \$19.99 each. What is the total purchase price if he lives in West Virginia, where the sales tax rate is 6 percent?

$$2 \times \$59.99 = \$119.98$$

$$2 \times \$19.99 = + 39.98$$

$$\begin{array}{r} \$119.98 \\ + 39.98 \\ \hline \$159.96 \end{array} \times 6\% = \$9.60$$

$$\$159.96 + 9.60 = \boxed{\$169.56}$$