

Combining Tax, Tips and Mark-ups

9/30

Option 1

Add the
two percents
together

Option 2

Find Each
Percent Separately
(using the original
price)

Sep 30-10:42 AM

Combining Tax, Tips & Markups

* Tax, Tips + Markups are ALL
multiplied by the original amount,
HOWEVER... Tax is paid on the
Final Markup Price.

Oct 5-11:45 AM

A dinner bill comes to $\$85.74$ before tax and tip. If there is an 8.5% tax and you leave a 15% tip. What is the total cost?

<p>Tax: 0.085×85.74 $\\$7.29$</p> <p>Tip: 0.15×85.74 $\\$12.86$</p> <p>$85.74 + 7.29 + 12.86$ $\boxed{\\$105.89}$</p>	<p>Combine Tax + Tip</p> <p>15% $+ 8.5\%$ <hr style="width: 50%; margin: 0;"/> 23.5% $.235 \times 85.74$ $\\$20.15$ $+ 85.74$ $\boxed{\\$105.89}$</p>
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Oct 1-12:27 PM

A store sells a pair of sneakers at a 40% $\rightarrow 0.4$ markup. If the store bought the sneakers for \$25 how much would the customer pay if they also have to pay 8% tax.

$$25 \times 0.4 = 10 \quad \rightarrow 0.08$$

$$+ 10$$

$$35 \times 0.08 = 2.80$$

$$+ 2.80$$

$$\boxed{\$37.80}$$

Oct 5-11:58 AM

A breakfast bill comes to \$15.45 before tax and tip. How much extra would a 5.5% tax. How much would an 18% tip be?

$$\begin{aligned} \text{Tax: } 15.45 \times .055 &= \$0.85 \\ \text{Tip: } 15.45 \times .18 &= \$2.78 \end{aligned} \quad \left. \vphantom{\begin{aligned} \text{Tax: } 15.45 \times .055 \\ \text{Tip: } 15.45 \times .18 \end{aligned}} \right\} \$3.63$$

Sep 30-10:51 AM

Amazon Purchase:

Total before Tax: \$22.95

Tax: 8.75% $\rightarrow 0.0875$

Shipping: \$4.50

Find the total cost.

$$22.95 \times 0.0875 = \$2.01$$

24.96

+ 4.50

\$29.46

RECEIPT

05/12/2012
13:23:54
ST # 1235

PRODUCT	012784545789	8.16
PRODUCT	012784545789	5.56
MILK	007855114259	3.58
PRODUCT	007874237152	2.24

SUBTOTAL **\$19.54**

Tax (4.25%) **\$0.83**

0.0425
Total **\$20.37**

Sep 30-10:43 AM

\$19.54	}	Total + Tax
Tax: 4.25%		100% + 4.25%
		<u>104.25%</u>
		100
19.54×1.0425		1.0425
\$20.37		

* Only works for 1% + Total Cost

Oct 5-12:13 PM

Megan and her four friends go out to lunch. The total before tax and tip comes to \$65.70. If there is a 5% tax and they leave a 20% tip, how much do they each pay, if they split the bill equally?

$$\begin{array}{r}
 65.70 \\
 + 16.43 \\
 \hline
 82.13
 \end{array}$$

$20 + 5 = 25$
 $.25 \times 65.70 = 16.425$

$\$82.13 \div 5 = \boxed{\$16.43 \text{ each}}$

Sep 30-10:43 AM

How much sales tax would be added on a pair of sneakers that cost \$65.00 if the sales tax rate is 2.5%?

$$65 \times 0.025$$

$$\boxed{\$1.63}$$

Sep 30-10:52 AM