

## Tax, Discount and Commission

### I. Definitions:

- a. Tax-
- b. Discount-
- c. Commission-

### II. The Equation:

Original \* Percent of Change = New Amount

### III. Examples:

1. A pair of jeans is discounted 30% off the original price of \$45. What is the sale price?

2. An airline ticket has a tax of \$18. If the tax rate is 8%, what was the original price?



### Check for Understanding:

1. Tell your partner how you would find the price of a \$35 sweater on sale for 20% off.
2. Compare and contrast sale price and discount.  
❖❖ Pull out your whiteboards and write an equation to solve each of these. Do not solve.
3. Find the amount of tax you will pay for a \$35.99 SONY Playstation game that is taxed 8%.
4. Emma earns 4% commission. How much does she earn if she sells a CD player for \$250?
5. Find the tax rate Jarod paid if he bought a \$390 mountain bike and paid a total of \$419.25.

### Station Questions

#### Auto Sales:

- 1.) As a salesperson, you are trying very hard to sell a Dodge Stratus. To try to entice the customer, you as your manager if you can mark the car down 1,100. What is the percent of discount?
- 2.) Congratulations! You just sold your first car (it was the discount that really sold them). You earn 3.5% commission on all your sales and you just sold a brand new Dodge Stratus for \$17,899. How much commission will you earn?
- 3.) As the person buying the Dodge Stratus, you will pay 8% New York State sales tax. How much tax will you pay? What is the final cost of your new car?

#### Travel Agency:

- 1.) As a travel agent, you are trying to sell these trip packages to Walt Disney World Florida. To help sell the packages, you marked them down from \$985 to \$825 per person. What is the percent of discount?
- 2.) Great Job! Your plan worked. A nice couple has purchased two packages for their honeymoon. How much money did you earn in commission if you earn 2.5% on all your sales?
- 3.) The couple would like to know the final cost of their trip. If the tax is 8%, what is their final bill?

#### The Stereo Shop:

- 1.) As an employee of the Stereo Shop, you are trying to sell car stereos. Since Best Buy has moved in down the street, your business really needs to discount prices in order to compete. Your boss has asked you to mark down the Pioneer car CD/cassette player from \$399 to \$285. What is the percent of discount?
- 2.) After a long Saturday of work, you total that you sold five of the Pioneer car stereos. If you earn 3.25% commission, how much extra did you earn?
- 3.) What is the final cost of one of the car stereos if the tax is 8%?

#### Furniture Sales:

- 1.) Your summer job is to work at Value City. The manager asks you to mark down the living room set. If the set was originally \$995, what is the percent of discount?
- 2.) Since you helped sell one of these sets, you will earn 3.5% commission. How much extra will you earn?
- 3.) One of your jobs is to fill out the paperwork for the customer after making a sale. You need to calculate the tax and the final cost on the bottom of the page. What is the tax and final cost if tax is 8%?

#### Real Estate:

- 1.) As a real estate agent, you are trying to sell a house worth \$120,000. Since the house is not selling very well, you convince the homeowners to discount their price to \$115,000. What is the percent of discount?
- 2.) Congratulations! You sold the house for \$115,000 and earned a 2% commission on the sale. How much commission did you earn?
- 3.) If the buyer of the home pays 8% sales tax on the house, what is the amount of tax? What is the final cost of the home?

Name: \_\_\_\_\_

# Universal Foundation Skills A.K.A SCANS Skills

Participant Reflection about  
S.C.A.N.S. Skills  
S.C.A.N.S. = Secretary's Commission on Achieving Necessary Skills

Directions:  
Reflect on today's lesson and identify  
all the skills we used today.

