

# Discount, Tax, and Tip

Name: \_\_\_\_\_ Date: \_\_\_\_\_ Score: \_\_\_\_\_ / 18

## Quick Review and Helpful Hints

A discount, tax, or tip is a *percent of the price*. Change the percent to a decimal and multiply by the price to get the amount. For a final price, *subtract* a discount or *add* tax or a tip. A shortcut for a total with tax/tip is to multiply the price by  $(1 + \text{rate})$ .

▷ **Example:** A \$50 item has 8% sales tax. Find the tax and the total.

**Work:** Tax is 8% of \$50:  $0.08 \times 50 = 4$ . The total adds it on:  $50 + 4$ .

★ **Answer:** tax \$4, total \$54

8% of \$50

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= \$4 tax

Multiply the percent by the price.

### Practice Problems

Find each amount or final price.

- |                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. 10% tax on \$20 _____</p> <p>2. 25% discount on \$80 _____</p> <p>3. 15% tip on \$40 _____</p> <p>4. 8% tax on \$50 _____</p> <p>5. 20% discount on \$60 _____</p> <p>6. 5% tax on \$200 _____</p> <p>7. 18% tip on \$50 _____</p> | <p>8. 30% discount on \$90 _____</p> <p>9. Final price: \$40 with 10% off _____</p> <p>10. Final price: \$25 with 8% tax _____</p> <p>11. 50% discount on \$48 _____</p> <p>12. 20% tip on \$35 _____</p> <p>13. Final price: \$80 with 25% off _____</p> <p>14. Final price: \$100 with 6% tax _____</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Word Problems

15. A \$120 jacket is 25% off. What is the sale price? \_\_\_\_\_
16. A \$60 restaurant meal gets a 20% tip. How much is the tip? \_\_\_\_\_
17. A \$200 TV has 7% sales tax. What is the total cost? \_\_\_\_\_
18. A \$45 item is 10% off. What is the final price? \_\_\_\_\_



## Answer Keys

- |                                          |                                           |                                          |
|------------------------------------------|-------------------------------------------|------------------------------------------|
| 1. <input type="text" value="\$2"/>      | 7. <input type="text" value="\$9"/>       | 13. <input type="text" value="\$60"/>    |
| 2. <input type="text" value="\$20 off"/> | 8. <input type="text" value="\$27 off"/>  | 14. <input type="text" value="\$106"/>   |
| 3. <input type="text" value="\$6"/>      | 9. <input type="text" value="\$36"/>      | 15. <input type="text" value="\$90"/>    |
| 4. <input type="text" value="\$4"/>      | 10. <input type="text" value="\$27"/>     | 16. <input type="text" value="\$12"/>    |
| 5. <input type="text" value="\$12 off"/> | 11. <input type="text" value="\$24 off"/> | 17. <input type="text" value="\$214"/>   |
| 6. <input type="text" value="\$10"/>     | 12. <input type="text" value="\$7"/>      | 18. <input type="text" value="\$40.50"/> |

### Step-by-Step Explanations

**1.** Start by naming the process: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is Tax is a percent of the price. Change 10% to 0.10 and multiply:  $0.10 \times 20 = \$2$ . So the final answer is \$2.

**2.** A good way to think about this is: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is Change 25% to 0.25 and multiply by the price:  $0.25 \times 80 = \$20$  off. So the final answer is \$20 off.

**3.** Step by step: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is A tip is a percent of the bill:  $0.15 \times 40 = \$6$ . So the final answer is \$6.

**4.** Take it one move at a time: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.08 \times 50 = \$4$ . So the final answer is \$4.

**5.** Start by naming the process: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.20 \times 60 = \$12$  off. So the final answer is \$12 off.

**6.** A good way to think about this is: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.05 \times 200 = \$10$ . So the final answer is \$10.

**7.** Step by step: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.18 \times 50 = \$9$ . So the final answer is \$9.

**8.** Take it one move at a time: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.30 \times 90 = \$27$  off. So the final answer is \$27 off.

**9.** Start by naming the process: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is First find the discount:  $0.10 \times 40 = \$4$ . Subtract it from the price:  $40 - 4 = \$36$ . So the final answer is \$36.

**10.** A good way to think about this is: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is First find the tax:  $0.08 \times 25 = \$2$ . Add it to the price:  $25 + 2 = \$27$ . So the final answer is \$27.

**11.** Step by step: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.50 \times 48 = \$24$  off. So the final answer is \$24 off.

**12.** Take it one move at a time: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is  $0.20 \times 35 = \$7$ . So the final answer is \$7.

**13.** Start by naming the process: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is Discount  $0.25 \times 80 = \$20$ ; subtract:  $80 - 20 = \$60$ . So the final answer is \$60.

**14.** A good way to think about this is: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is Tax  $0.06 \times 100 = \$6$ ; add:  $100 + 6 = \$106$ . So the final answer is \$106.

**15.** Step by step: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is The discount is  $0.25 \times 120 = \$30$ . The sale price is  $120 - 30 = \$90$ . So the final answer is \$90.

**16.** Take it one move at a time: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is A 20% tip on \$60 is  $0.20 \times 60 = \$12$ . So the final answer is \$12.

**17.** Start by naming the process: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is The tax is  $0.07 \times 200 = \$14$ . The total is  $200 + 14 = \$214$ . So the final answer is \$214.

**18.** A good way to think about this is: Read what the problem is asking, choose the matching rule, write the setup, and then simplify one step at a time. The setup/work is The discount is  $0.10 \times 45 = \$4.50$ . The final price is  $45 - 4.50 = \$40.50$ . So the final answer is \$40.50.



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