**Making Purchases: 4.3 Taxes and Total Cost**

Example: Howard is buying 2 CD’s for $19.95. Both 7% GST and 8% PST will be added to the price.

1. Estimate the total cost to determine how much money Howard should get out to pay for his purchase.
2. Calculate the change Howard will receive.

Solution:

1. (7% + 8%) = 15%, 19.95 is approximately $20.

= 15% of 20 15% of selling price

= 0.15 x 20 0.1 x 20 = 2, add half 🡪 2 + 1 = 3

= 3

20 + 3 = 23 🡪 selling price

Howard should get out $25.

1. Calculate GST: Calculate PST

= 7% x 19.95 = 8% of 19.95

= 0.07 x 19.95 = 0.08 x 19.95

= 1.40 - 1.6

Calculate total cost:

= 19.95 + 1.40 + 1.60

= 22.95

Calculate change:

23.00 - 22.95 = 0.05

The cashier gives Howard 0.05 change.

Complete Questions 1 – 4 on Page 67

**Making Purchases: 4.4 Discounts and Sale Prices**

A discount is a reduction in in price. When discounts for goods and services are offered, the rate of the discount is usually advertised as a percent or a fraction of the regular price.

**Example:**  Gwen is purchasing a tennis racket during a summer sale. It is advertised at 40% off the regular price of $165.99.

1. Estimate the sale price.
2. Calculate the sale price.

**Solution:**

1. Estimate the discount

40% of 165.99 🡪 40% o 170

= 68

Estimate the sale price:

170 – 68

= 102 🡪 the sale price is approximately $102.

1. Calculate the discount:

40% of 165.99

= 0.4 x 165.99

= 66.40

Calculate the sale price:

165.99 – 66.40

= $99.60

Changing fractions to decimals: Divide the top number by the bottom.

1/3 🡪 0.33333

Complete questions: 6 – 13 on page 71 - 72