

Sec 5.4 Sales Tax and Discount

1) Finding Discount

Again, we can use cross multiply to find the sale price after a discount.

$\frac{\text{Percent Discount}}{100} = \frac{\text{Discount (\$)}}{\text{Regular Price}}$

Example – A backpack costs \$30. It is on sale for 20% off. Find the sale price.

$$\frac{x}{30} = \frac{20}{100} \quad 100x = 30(20)$$

$$100x = 600$$

$$x = \$6$$

The discount (\$) is \$6. Therefore, the sale price is \$24.

Regular Price – Discount (\$) = Sale Price

Your Turn – Calculate the sale price of the following items.

a) \$200 tv with a 8% discount

$$\frac{x}{200} = \frac{8}{100} \quad 100x = 8(200)$$

$$100x = 1600$$

$$x = \$16$$

So $\$200 - \$16 = \underline{\underline{\$184}}$

b) \$40 pants with a 30% discount

$$\frac{x}{40} = \frac{30}{100} \quad 100x = 30(40)$$

$$100x = 1200$$

$$x = \$12$$

So $\$40 - \$12 = \underline{\underline{\$28}}$

c) At a discount of 25%, bicycles are on sale for \$240. What is the regular price?

So \$240 is 75% of the regular price!

$$\frac{240}{x} = \frac{75}{100} \quad 75x = 240(100)$$

$$x = \underline{\underline{\$320}}$$

d) The sale price of a printer is \$90. If there were a 40% discount, what was the regular price?

So \$90 is 60% of regular price!

$$\frac{90}{x} = \frac{60}{100} \quad 60x = 90(100)$$

$$x = \underline{\underline{\$150}}$$

2) Finding Tax

Again, we can use cross multiply to find the tax to add to an item.

$\frac{\text{Percent Tax}}{100} = \frac{\text{Tax (\$)}}{\text{Price of item}}$

Example – A backpack costs \$30. Including 5% GST and 7% PST, find the total price.

Option 1:

$$\frac{x}{30} = \frac{12}{100} \quad 100x = 12(30)$$

$$x = 3.6$$

Option 2:

$$\frac{x}{30} = \frac{112}{100}$$

$$12\% + 100\% = 112\%$$

$$x = \$33.6$$

The tax (\$) is \$3.6. Therefore, the total price is \$33.6.

$$\text{Price of item} + \text{Tax (\$)} = \text{Total Price}$$

Your Turn

- a) You go to McDonald's for a \$6 breakfast. If you have to pay 5% GST, what is the total cost of your meal?

$$\frac{x}{6} = \frac{5}{100}$$

$$100x = 6(5)$$

$$100x = 30$$

$$x = \$0.30$$

$$6 + 0.30 = 6.30$$

- b) You and your friend want to go watch the Vancouver Canucks. The regular price of a ticket is \$75 but due to Fan Appreciation day, there is a discount of 33%. If both PST and GST must be paid, what is the total cost of a ticket?

$$\frac{x}{75} = \frac{33}{100}$$

$$100x = 33(75)$$

$$100x = 2475$$

$$x = \$24.75$$

$$75 - 24.75 = 50.25$$

$$\frac{x}{50.25} = \frac{12}{100}$$

$$12(50.25) = 100x$$

$$6.03 = x$$

$$\text{So } 6.03 + 50.25 = 56.28 \checkmark$$

3) Percent of a Percent

Example – Best Purchase offers a 10% off discount one day and then an additional 10% off the sale price the next day. If the item originally costs \$30, find the sale price on the next day.

Day 1:

$$\frac{x}{30} = \frac{10}{100}$$

$$x = \$3$$

$$\text{So } \$30 - \$3 = \underline{\underline{\$27}}$$

Day 2:

$$\frac{x}{27} = \frac{10}{100}$$

$$x = 2.7$$

$$\text{So } \$27 - 2.7 = \underline{\underline{\$24.3}}$$

Your Turn

- a) An iPod regularly priced at \$200 is on sale for 10% off. However, the next day is Customer Appreciation day so the store is giving an additional 15% off the previous day's sale price. What is the sale price of the iPod on the next day?

Day 1:

$$\frac{x}{200} = \frac{10}{100}$$

$$x = \$20$$

$$\text{So } \$200 - \$20 = \underline{\underline{\$180}}$$

Day 2:

$$\frac{x}{180} = \frac{15}{100}$$

$$x = 27$$

$$\text{So } \$180 - 27 = \underline{\underline{\$153}}$$

- b) Which store offers the better buy? Explain your thinking.
- > Store A: 50% off one day only
 - > Store B: 25% off one day followed by 25% off the reduced price the second day

Store A:

\$100 is regular price.

$$\frac{x}{100} = \frac{50}{100}$$

\$50 is discount.

$$\text{So } \$100 - \$50 = \underline{\underline{\$50}}$$

Store B:

Day 1: \$25 is discount

$$\text{So } \$100 - 25 = \underline{\underline{\$75}}$$

Day 2:

$$\frac{x}{75} = \frac{25}{100}$$

$$x = \$18.75$$

$$\text{So } \$75 - 18.75 = \underline{\underline{\$56.25}}$$

∴ A is better!