

Discounts and Sales Tax

Name: _____ **Date:** _____

LEARNING OBJECTIVE

Student will be able to calculate the final price of an item after applying a percent discount and then sales tax.

MATERIALS NEEDED

- 3-4 store flyers, catalog pages, or printed 'price tags' you create
- paper
- pencil
- calculator

HANDS-ON ACTIVITY

1. Choose or create 3 'price tags' for items, each with an original price (e.g., \$45.00 backpack).
2. For each item, apply a discount percent you choose or that's printed (e.g., 25% off) by calculating the discount amount and subtracting it from the original price.
3. Apply a sales tax rate (use 7% for this activity) to the discounted price to calculate the final price.
4. Create a simple 'receipt' on paper for all 3 items showing: Original Price, Discount Amount, Sale Price, Tax Amount, Final Price.
5. Add up all 3 final prices to find your total 'shopping trip' cost.

QUESTIONS

1. For your first item, what was the original price, discount amount, and sale price?
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2. What was the tax amount and final price for that same item, using 7% sales tax?
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3. What was your total for all 3 items on your receipt?
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4. Is applying a 25% discount then 7% tax the same as applying a flat 18% discount overall? Explain using your numbers.
