

Name \_\_\_\_\_

## Part 3: Math Skills

Make sure to show all steps and calculations or no credit will be given.

### Mixed Mathematics

It is essential to understand and be able to perform basic mathematical tasks in order to handle many business functions. This is especially true in retailing, where some of the most important tasks include correctly and efficiently ringing up sales, accurately handling and distributing change in cash transactions, and calculating refunds and adjustments.

*Answer the following questions involving sales transactions.*

1. Cash, debit card, and credit card transactions must include a sales tax in many states. The formulas for calculating sales tax and total sale amount are as follows:

$$\text{sales total} \times \text{sales tax rate} = \text{sales tax}$$

$$\text{sales total} + \text{sales tax} = \text{total sale amount}$$

The sales tax is added to the sales total to equal the total sale amount, which is collected from the customer.

You own an appliance store in a state with 6 percent sales tax. A customer purchases a convection oven priced at \$1,199.00. How much is the sales tax? How much is the total sale amount that you collect from the customer?

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2. Master Auto Service is an auto repair shop in a state that charges 5 percent sales tax on merchandise, but no tax on services. The following is a service order for a recent customer:

New Headlamp: \$124.99

Halogen Bulb: \$36.99

Installation: \$79

Total: \$240.98

Calculate the sales tax on this order and the total sale amount that the customer must pay.

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3. The Wild and Wacky Water Park charges \$24 for adult admission and \$12.50 for children under the age of 12. A customer requests two adult tickets and one child’s ticket and gives the cashier four \$20 bills. The cashier gives the customer \$18 in change.

a. Is this the correct amount of change? If not, calculate the correct amount.

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\_\_\_\_\_  
\_\_\_\_\_

b. The cash drawer at the water park has the following denominations of bills and coins. Indicate how many coins and bills the cashier should give the customer.

\$20: \_\_\_\_\_

\$10: \_\_\_\_\_

\$5: \_\_\_\_\_

\$1: \_\_\_\_\_

\$0.25: \_\_\_\_\_

\$0.10: \_\_\_\_\_

\$0.05: \_\_\_\_\_

\$0.01: \_\_\_\_\_

4. Sentinel Locksmith operates in a state with 4.5 percent sales tax. A customer recently made the following purchase:

Item: Dead Bolt Lock     \$99.95

Item: Window Locks     \$49.95

Item: Door Knob Set     \$29.99

Total: \$179.89

Sales Tax: \$8.10

Total Sale: \$187.99

The customer now wants to return the window locks set for a refund. Calculate the refund amount.

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\_\_\_\_\_  
\_\_\_\_\_

**STOP: Did you show all steps and calculations. Yes. Continue to Print Double Sided. No. Go Back**