

Jason has just finished driver education and passed his driver's test. He wants to buy an inexpensive used car to drive to school and around town. He plans to pay for the car with money he earns from his part-time job.

Jason went online and looked at the used cars at a local dealership that were priced under \$7,000. The cars he is considering are listed below.



1. For each car, compute the following:
 - 7.25% sales tax (price x sales tax rate). Round to the nearest cent.
 - Total Cost including License (\$101), Title (\$95) and Documentation Fee (\$168) (price + sales tax + license + title + documentation fee)

Make/Model	Mileage (city/highway)	Gas Mileage	Price	Sales Tax	Total Cost
Acurra TL.....	205,348	19/29	\$5,995	\$_____	\$_____
Chevy Malibu.....	184,569	22/32	\$5,795	\$_____	\$_____
Chevy Malibu.....	176,748	23/32	\$1,995	\$_____	\$_____
Chrysler Sebring (convertible)	131,655	21/28	\$6,995	\$_____	\$_____
Ford Focus.....	179,299	25/34	\$3,495	\$_____	\$_____
Pontiac Grand Prix	93,925	20/30	\$6,795	\$_____	\$_____
Volkswagen Jetta	127,998	24/31	\$5,155	\$_____	\$_____

Because of the age of the cars he is looking at, Jason hopes to be able to finance for only two years.

2. Use the monthly payments to calculate Jason's total of payments for the cars and the finance charge he will pay over the two years.

Finance Charge = Total Payments - Total Cost

Make/Model	24 Monthly Payments of	Total of Payments	Finance Charge
Acurra TL.....	\$298.04	\$_____	\$_____
Chevy Malibu.....	\$288.63	\$_____	\$_____
Chevy Malibu.....	\$109.83	\$_____	\$_____
Chrysler Sebring (convertible)	\$345.09	\$_____	\$_____
Ford Focus.....	\$180.41	\$_____	\$_____
Pontiac Grand Prix	\$335.68	\$_____	\$_____
Volkswagen Jetta.....	\$258.52	\$_____	\$_____

Name:

Period: