Name ______________________ Date ______________

Simple Interest Word Problems

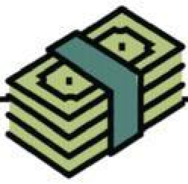
To find **simple interest**, use the formula below.

$$i = prt$$

i = interest earned
r = interest rate written as a decimal
p = principal, or starting amount
t = time in years

Let's try it! Bryce deposits $300 into a savings account that earns 2% simple interest each year. How much interest will Bryce earn over 4 years, assuming he does not add or take out any money?

$i = prt$
$= \$300 \cdot 0.02 \cdot 4$
$= \$24$



Answer each question.

1. Patty has $90 in a savings account that earns 4% simple interest each year. How much interest will Patty earn in 1 year, assuming she does not add or take out any money?

$ ______

2. Ed opened a savings account 5 years agc $600. The account earns 3% simple inter year, and Ed has not added or withdrawr the account. How much interest has Ed ‹

$ ______

3. Max has a savings account that earns 5% simple

4. Gia put $2,650 into a savings account 6 ‹