Retail Purchases

Whenever making purchases the customer is sometimes offered a **Discount** that is expressed as a percentage of the **Listed Price**. In The Bahamas, purchases are also subject to a **Value Added Tax** of **10%**. This **Sales Tax** is **10%** of the **Purchase or Discounted Price**.

Example:

A desktop computer that is **listed at $1200** can be purchased with a **20% discount**.

What is the **Discount** on the computer?

20% of $1200

$$\frac{20}{100} \times \frac{\$1{,}200}{1}$$

20 × $12 = $240

What is the **Discounted Price**?

$1200 – $240 = $960

What is the **Value Added Tax**?

10% of $960

$$\frac{10}{100} \times \frac{\$960}{1}$$

1 × $96 = $96

What is the Sales Price?

$960 + $96 = $1,056

Please Note:

Change Percentage to a fraction with 100 in the denominator

Two zeros in the numerator can cancel two zeros in the denominator

Assignment:

A vehicle listed at $4,000 can be purchased with a 15% discount.

1. What is the Discount on the vehicle?
2. What is the Discounted Price?
3. What is the Value Added Tax?
4. What is the Sales Price?

A refrigerator listed at $2,000 can be purchased with a 5% discount.

5. What is the Discount on the vehicle?
6. What is the Discounted Price?
7. What is the Value Added Tax?
8. What is the Sales Price?

A television listed at $800 can be purchased with a 25% discount.

9. What is the Discount on the vehicle?
10. What is the Discounted Price?
11. What is the Value Added Tax?
12. What is the Sales Price?