Education.com

← Back

You are previewing this worksheet as a student.

Name _____ Date _____

Simple Interest Word Problems

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

$$i = prt$$

i = interest earned   *p* = principal, or starting amount

r = interest rate written as a decimal   *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 ago $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

LIVEWORKSHEETS