

LESSON # 21 ~ Discount & Taxes & Commission

Tax ~ a fee charged for services rendered.

Discount ~ An amount deducted from the list price.

TPS **GST** ~ Goods and Services Tax (Federal). *5%*

TVQ **PST** ~ Provincial Sales Tax (Quebec). *9.975%*

2015 / *2016?*

How to find the final cost of "something".

list price: \$ _____

discount: - _____

sale price: _____

sales tax: + _____

final cost _____

Example 1

TV ~ cost \$699, discount 25% off, sales tax 15%.

Estimating
Quebec
taxes

699
x 25%

524.25
x 15%

list price: \$ *699*

discount: - *174.75*

sale price: *524.25*

sales tax: + *78.64*

final cost *602.89*

Example 2

Jeans ~ \$59.99, 20% discount and add current GST & PST.

list price: \$ 59.99

$59.99 \times 20\%$ discount: - 12.00 (11.998)

sale price: 47.99

5% GST tax: + 2.40

9.975% PST tax: + 4.79

final cost \$55.18

COMMISSION

is a salary earned by a salesperson based on a percentage of sales.

Base Salary ~ fixed amount

Commission ~ % of sales $Sales(\%)$

Earnings ~ salary / paycheck

Ex. Linda receives a base salary of \$250 and makes 5% commission on her sales. She sold for \$1 200 this week. What will her total earnings be for this week?

Formula

$$Earnings = \text{Base Salary} + \text{Comm.}$$

$$E = 250 + 1200(5\%)$$
$$250 + 60$$

$$\text{Total } E = \$310$$