

Activity 2

PART 1: DETERMINING COSTS



Answer the following questions to practice stretching your dollar and setting realistic spending expectations. Use the data below to determine the total cost of each item.

1. You purchased a new pair of shoes for \$34.99 and the sales tax rate was 7.5%.

Item cost \$ _____ x Sales tax rate _____ % = Amount of sales tax \$ _____

Item cost \$ _____ + Amount of sales tax \$ _____ = Total cost \$ _____

2. You purchased a bicycle for \$199.99 and the sales tax rate was 6.75%.

Item cost \$ _____ x Sales tax rate _____ % = Amount of sales tax \$ _____

Item cost \$ _____ + Amount of sales tax \$ _____ = Total cost \$ _____

3. You purchased 14.75 gallons of gasoline at \$2.29 per gallon. If the excise tax (included in the price of a gallon of gas) was 18.4 cents per gallon, what is the total amount of excise tax you paid?

Gallons of gas _____ x Excise tax per gallon \$ _____ = Total tax \$ _____

What if you had paid \$3.59 per gallon of gas? How would this affect the amount of excise tax paid? _____



4. You would like to go to the beach from Saturday to Sunday and stay overnight at a hotel. You already have a bathing suit and flip flops, but will need to purchase sunscreen for \$7.99 and a towel for \$12.99 (sales tax is 5%). The hotel room costs \$89, plus a 3% excise tax, and will be divided among 4 friends. You will also need to pay for 4 meals, including tips, for a total of \$60, and a beach pass for \$3 each day. If your budget is \$150, how much money will you have left over for extra activities and souvenirs?

Sunscreen \$ _____

Towel \$ _____

Total \$ _____

Sales tax \$ _____

Total Cost \$ _____

Hotel \$ _____

Hotel excise tax x _____ %

Total \$ _____

Divided by friends ÷ _____

Total Cost \$ _____ each

One-day beach pass \$ _____

Days on beach x _____

Total Cost \$ _____

Meals & tips \$ _____



Combined Total Cost \$ _____

Total budget \$ _____

Money available for wants \$ _____

