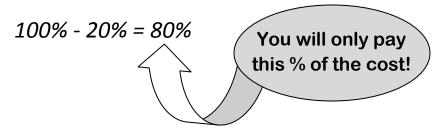# Finding Sale Price, Amount of Tax, and Total Cost

We will use this example to show each step:

The cost of a cell phone is $125.00
It is being sold at a 20% discount.
The tax rate is 8.25%

How to find Sale Price

Step 1: Determine the percentage that you will be paying by *subtracting* the % of discount from 100%.
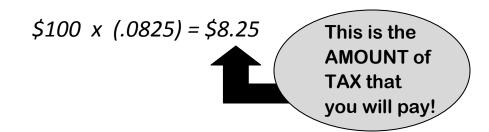
100% - 20% = 80%

You will only pay this % of the cost!

Step 2: *Multiply* the *COST* of the item by the *percentage* that you will be paying. *(Be sure to change the percent into a decimal first!)*

$125 x (.80) = $100

Your answer is the SALE PRICE!

How to Find the Amount of Tax

Step 1: *Multiply* the *SALE PRICE* of the item by the *percentage of TAX*. *(Be sure to change the percent into a decimal first!)*

$100 x (.0825) = $8.25

This is the AMOUNT of TAX that you will pay!

How to Find Total Cost

<u>Step 1</u>: *ADD* the *AMOUNT of TAX* to the *SALE PRICE.*

$$\$8.25 \ + \ \$100 = \mathbf{\$108.25}$$

Your answer is the <u>TOTAL COST</u> of the item.