Sales Tax, Tips and Discounts

STOCK|TRAK
GLOBAL PORTFOLIO SIMULATIONS

Overview

In this lesson students will learn what sales tax, discounts and tips are. These are important things for students to know and learn because they will be interacting with these terms in their everyday life. Students will walk away being able to calculate all of these terms in a variety of situations.

Objectives

By the end of the lesson, students will:

- Define sales tax, discounts and tip
- Calculate sales tax, discounts and tip
- Understand the importance of knowing these terms

Standards

Spending and Saving

Standard 1. Develop a plan for spending and saving.

Standard 3. Describe how to use different payment methods.

This listing is based on the Jump$tart National Standards for Personal Finance.

Vocabulary

- **Sales Tax** – A tax that is charged on goods sold to end customers. The Sales Tax is a set percentage of the price of the goods sold.
- **Discount** – A deduction from the usual cost of something
- **Tip** - An extra cost usually given for a service

Lesson Plan Includes

- Direct Instruction
- Accompanying
- Class Discussion
- Full Class
- Individual
- In Class or Homework
- Technology-Based Activities
- Worksheets
- Assessments
- External

Activity Summary

- **Introduction**
  Time: 5 Minutes

- **StockTrak All About Sales Tax Lesson**
  Time: 15 Minutes
  Requires: StockTrak Curriculum , Computer Access

- **Shopping with Sales Tax**
  Time: 10 Minutes
  Requires: Worksheet

- **Real World Word Problems**
  Time: 15 Minutes
  Requires: Worksheet

- **Super Sale Shopping**
  Time: 10 Minutes
  Requires: Worksheet

- **Calculating Sales Tax**
  Time: 10 Minutes

Instructor's Guide

Introduction

Ask students if they have ever bought something at the store and it says the price is $1.00 but when they check out it costs $1.06?

- Explain to students that today they will be learning about sales tax.

- Explain:
  Sales Tax is a tax that is charged on goods sold to end customers. The Sales Tax is a set percentage of the price of the goods sold.

- Ask them if they have ever paid a sales tax?
  Where and what did they buy?

- Explain that many things have a sales tax.

- Pass out a few receipts and have the students pass them around and look for the sales tax.

Time:
5 Minutes

Type:

Required Resources:

Independent Activities

Activities designed for students to learn independently—either in class or as homework. Some activities include presentations if you prefer to use them for direct instruction instead of independent study.

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Instructor's Guide

StockTrak All About Sales Tax Lesson

Assign your students the "All About Sales Tax" lesson on StockTrak.com. This lesson defines what sales tax is and how it affects the market. The lesson also clarifies what items and states have sales tax and which don't.

Students will be required to complete the quiz at the end as an assessment. If used as homework, follow up with discussion questions the next day

Discussion Questions:
- What are sales tax?
- Do we have sales tax in our state?
- Why do we have sales tax?

Resource Links:
Lesson Content (Included in the Assignment on StockTrak.com)
https://learn.stocktrak.com/finance-knowledge/personal-finance/all-about-sales-tax/

Accompanying Presentation:
https://docs.google.com/presentation/d/1tHYn2FvugI2yUhNYLzYvljQWQv9OFPv59g9o6P1dE9o/copy

Time:
15 Minutes

Type:

Required Resources:
- StockTrak Curriculum
- Computer Access

Shopping with Tax

In this activity students will calculating sales tax and discounts of various different clothing items.

Pass out worksheet and have students complete in class or as homework. Collect as an assessment.

Resource Links:
http://www.teach-nology.com/worksheets/math/money/mon36.pdf

Time:
10 Minutes

Type:

Required Resources:
- Worksheet

Real World Word Problems

This is a worksheet students will be reading and answering short word problems that either involve a question about a discount, tax or tip.

Pass out worksheet and have students complete in class or as homework. Collect as an assessment.

Resource Links:
http://hgms.psd202.org/documents/llouck/1511881761.pdf

Time:
15 Minutes

Type:

Required Resources:
- Workshhet

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Super Sale Shopping

In this activity students will be shopping for four items that are discounted. They first calculate the price with the discount and then calculate the cost with sales tax.

Pass out worksheet and have students complete in class or as homework. Collect as an assessment.

Resource Links:
http://hgms.psd202.org/documents/llouck/1511881761.pdf

Time:
10 Minutes

Type:

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Required Resources:

- Worksheet

Full Class Activities

Activities designed for whole-class participation. These are best used along with the direct instruction portion of the lesson.

Calculating Sales Tax

This will be a teacher led discussion about what sales tax is and now to find it.

Explain to students that "Sales Tax" is a tax that is charged on goods sold to end customers.

The Sales Tax is a set percentage of the price of the goods sold.

Explain that most states have sales tax.

Show them an example of a receipt and point out the line where the sales tax is shown.

Explain that today they will be learning how to calculate sales tax.
Pass out the attachment.
Go through one example as a class.

- 4% of 45   ->   .04
- .04 x 45= 1.80
- 45+1.80 = 46.80

Give the students the following examples:

- 3% of $60
- 2.7% of $83
- 6% of $1782
- If needed do more examples

Time:
10 Minutes

Type:

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Required Resources:

- Worksheet

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Conclusion

Remind students that:

- Sales Tax" is a tax that is charged on goods sold to end customers. The Sales Tax is a set percentage of the price of the goods sold.

Explain to them that it is important to know about and how to calculate it so that they can understand what they are truly paying for.

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