

Interest, Tax, Profit, and Discount Rules

Simple Interest: **$I = P \bullet R \bullet T$**

I = interest

P = principal or how much you put in the bank or take out

R = rate or the percent (%) changed to a decimal

T = time in years

Distance: **$D = R \bullet T$**

D = distance

R = rate or how fast (speed)

T = time or how long

Sales Tax: **$\text{Tax} = \text{Cost} \bullet \text{Sales Tax } (\%)$**

Tax - How much you pay in tax?

Cost - How much an item or items cost?

Sales Tax - is percent (%) of tax charge

Remember to change the percent to a decimal first!!

Discount or Profit: **$\text{Discount/Profit} = \text{Cost} \bullet \text{Percent } (\%) \text{ of Discount/Profit}$**

Discount/Profit - How much you save or charge on an item?

Cost - How much an item or items cost?

Percent of Discount/Profit - is the percent saved/charged

Remember to change the percent to a decimal first!!

Reminder: Check to see what the question is asking for you to solve for.

There may be additional steps that you need to take....