

Practice Task 4

John paid \$14 000 for his car. This price included 15% sales tax. What was the actual price of the car before sales tax?

The amount of \$14 000 includes the car purchase price and the sales tax.

$$14\ 000 = 100\% \text{ (car price)} + 15\% \text{ (sales tax)}$$

$$14\ 000 = 115\%$$

To find 1%, divide 14 000 by 115

$$14\ 000 \div 115 = 121.74$$

Multiply 121.74 by 100 to find the purchase price (**\$12 174**)

To find the sales tax, multiply 121.74 by 15 (\$1826)

$$\$1826 + \$12\ 174 = \$14\ 000$$