

## 2.3 Exercises

**Oil Painting** In Exercises 1–6, use the table and the oil painting shown. (See Examples 1 and 2.)

U.S. State Sales Tax Rates (%) in 2010									
Alabama	4.0	Hawaii	nil	Massachusetts	6.25	New Mexico	5.0	South Dakota	4.0
Alaska	nil	Idaho	6.0	Michigan	6.0	New York	4.0	Tennessee	7.0
Arizona	5.6	Illinois	6.25	Minnesota	6.875	North Carolina	5.75	Texas	6.25
Arkansas	6.0	Indiana	7.0	Mississippi	7.0	North Dakota	5.0	Utah	4.7
California	8.25	Iowa	6.0	Missouri	4.225	Ohio	5.5	Vermont	6.0
Colorado	2.9	Kansas	5.3	Montana	nil	Oklahoma	4.5	Virginia	5.0
Connecticut	6.0	Kentucky	6.0	Nebraska	5.5	Oregon	nil	Washington	6.5
Delaware	nil	Louisiana	4.0	Nevada	6.85	Pennsylvania	6.0	West Virginia	6.0
Florida	6.0	Maine	5.0	New Hampshire	nil	Rhode Island	7.0	Wisconsin	5.0
Georgia	4.0	Maryland	6.0	New Jersey	7.0	South Carolina	6.0	Wyoming	4.0

- You buy the oil painting in an art gallery in California. What is the state sales tax?
- You buy the oil painting in an art gallery in Missouri. What is the state sales tax?
- You buy the oil painting in Washington, D.C. The sales receipt shows that you paid \$75.54 in sales tax. What is the sales tax rate in Washington, D.C.?
- You buy the oil painting in New York. The sales receipt shows that you paid \$88.13 in county sales tax. What is the county sales tax rate?
- You can buy the oil painting in Mississippi or drive 20 miles to an art gallery in Alabama to make the purchase. Which option would you choose? Explain your reasoning.
- Under what conditions is it beneficial to a consumer to drive to another state to make a purchase? Give specific examples.



Oil painting: \$1259.00

T-shirt	\$25.00
SUBTOTAL:	\$25.00
Sales tax city:	\$ 0.30
Sales tax state:	\$ 1.50
TOTAL:	\$26.80

-- THANK YOU --

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- T-shirt** You are given the sales receipt shown after buying a T-shirt. Find the sales tax rates indicated by the receipt. (See Example 2.)
- Internet Sales** Some people avoid paying sales tax by purchasing items out of state. This is a big problem for many states. What would you do as a state legislator to fix the problem?