

Chapter 2 Summary

Section Objectives

How does it apply to you?

Section 1

Find the unit price of an item.



The unit price of an item is the amount you pay per unit of weight or volume. *(See Examples 1 and 2.)*

Compare the unit prices of two or more items.



You can use unit prices to compare the costs of two or more items that have different sizes. *(See Examples 3 and 4.)*

Find the annual cost of an item.



Small differences in unit prices can add up to large savings. *(See Examples 5 and 6.)*

Section 2

Find the markup of an item.



A markup is how much more you pay for an item than a retailer. *(See Examples 1 and 2.)*

Find the discount of an item.



A discount is the amount you save when an item is on sale. *(See Examples 3 and 4.)*

Find the final price after multiple discounts.



When you have two discounts on the same item, the final price can depend on the order in which you calculate the discounts. *(See Examples 5 and 6.)*

Section 3

Find the sales tax on an item.



Sales tax increases the amount you pay for an item. *(See Examples 1 and 2.)*

Find the excise tax on an item.



The federal government charges excise taxes on goods such as alcohol, tobacco, gasoline, and gambling to generate revenue. *(See Examples 3 and 4.)*

Find the value-added tax on an item.



In some countries, a value-added tax is included in the retail price. *(See Example 5.)*

Section 4

Create and balance a monthly budget.



A budget can help you manage your money. *(See Examples 1 and 2.)*

Write checks and balance a checkbook.



Checks are a common form of payment. A balanced checkbook can help you keep track of your money and avoid overdrafts and bad checks. *(See Examples 3 and 4.)*

Analyze a budget.



You can analyze your budget to determine if you are spending your money wisely. *(See Examples 5 and 6.)*