6.6 Discounts and Markups

Essential Question: How can you find discounts and selling prices?

1. **Activity: Comparing Discounts**

Work with a partner. The same pair of sneakers is on sale at three stores. Which one is the best buy? Explain.

   a. Regular Price: $45
   b. Regular Price: $49
   c. Regular Price: $39

   ![Discounts Graphs]

   a.
   ![Discount Graph]

   b.
   ![Discount Graph]

   c.
   ![Discount Graph]

2. **Activity: Finding the Original Price**

Work with a partner.

   a. You buy a shirt that is on sale for 30% off. You pay $22.40. Your friend wants to know the original price of the shirt. Show how you can use the model below to find the original price.

   b. Explain how you can use the percent proportion to find the original price.

   ![Original Price Graph]
You own a small jewelry store. You increase the price of the jewelry by 125%.

Work with a partner. Use a model to estimate the selling price of the jewelry. Then use a calculator to find the selling price.

a. Your cost is $250.

b. Your cost is $50.

c. Your cost is $170.

ACTIVITY: Finding Selling Prices

3

IN YOUR OWN WORDS How can you find discounts and selling prices? Give examples of each.

Use what you learned about discounts to complete Exercises 4, 9, and 14 on page 250.
Discounts
A **discount** is a decrease in the original price of an item.

Markups
To make a profit, stores charge more than what they pay. The increase from what the store pays to the selling price is called a **markup**.

**EXAMPLE 1**

**Finding a Sale Price**

The original price of the shorts is $35. What is the sale price?

**Method 1:** First, find the discount. The discount is 25% of $35.

\[
\begin{align*}
\text{discount} &= p \times w \\
&= 0.25 \times 35 \\
&= 8.75
\end{align*}
\]

Next, find the sale price.

\[
\begin{align*}
sale \text{ price} &= original \text{ price} - discount \\
&= 35 - 8.75 \\
&= 26.25
\end{align*}
\]

So, the sale price is $26.25.

**Method 2:** First, find the percent of the original price.

\[
100\% - 25\% = 75\%
\]

Next, find the sale price.

\[
\begin{align*}
sale \text{ price} &= 75\% \text{ of } 35 \\
&= 0.75 \times 35 \\
&= 26.25
\end{align*}
\]

So, the sale price is $26.25.

**Check**

\[
\begin{array}{cccc}
0 & 8.75 & 26.25 & 35
\end{array}
\]

**1.** The original price of a skateboard is $50. The sale price includes a 20% discount. What is the sale price?
EXAMPLE 2  Finding an Original Price

What is the original price of the shoes?

The sale price is 100% − 40% = 60% of the original price.

Answer the question: 33 is 60% of what number?

\[ a = p \cdot w \] Write percent equation.

\[ 33 = 0.6 \cdot w \] Substitute 33 for \( a \) and 0.6 for \( p \).

\[ 55 = w \] Divide each side by 0.6.

\[ \therefore \text{So, the original price of the shoes is } \$55. \]

EXAMPLE 3  Finding a Selling Price

A store pays $70 for a bicycle. The percent of markup is 20%. What is the selling price?

**Method 1:** First, find the markup. The markup is 20% of $70.

\[ a = p \cdot w \]

\[ = 0.20 \cdot 70 \]

\[ = 14 \]

Next, find the selling price.

\[ \text{selling price} = \text{cost to store} + \text{markup} \]

\[ = 70 + 14 \]

\[ = 84 \]

\[ \therefore \text{So, the selling price is } \$84. \]

**Method 2:** Use a ratio table. The selling price is 120% of the cost to the store.

<table>
<thead>
<tr>
<th>Percent</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>$70</td>
</tr>
<tr>
<td>20%</td>
<td>$14</td>
</tr>
<tr>
<td>120%</td>
<td>$84</td>
</tr>
</tbody>
</table>

\[ \div 5 \]

\[ \times 6 \]

\[ \forall \]

\[ \therefore \text{So, the selling price is } \$84. \]

**On Your Own**

2. The discount on a DVD is 50%. It is on sale for $10. What is the original price of the DVD?

3. A store pays $75 for an aquarium. The markup is 20%. What is the selling price?
6.6 Exercises

**Vocabulary and Concept Check**

1. **WRITING** Describe how to find the sale price of an item that has been discounted 25%.

2. **WRITING** Describe how to find the selling price of an item that has been marked up 110%.

3. **REASONING** Which would you rather pay? Explain your reasoning.
   a. 6% tax on a discounted price or 6% tax on the original price
   b. 30% markup on a $30 shirt or $30 markup on a $30 shirt

**Practice and Problem Solving**

Copy and complete the table.

<table>
<thead>
<tr>
<th>Original Price</th>
<th>Percent of Discount</th>
<th>Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. $80</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>5. $42</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>6. $120</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>7. $112</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>8. $69.80</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>9. $80</td>
<td>25%</td>
<td>$40</td>
</tr>
<tr>
<td>10. $42</td>
<td>5%</td>
<td>$57</td>
</tr>
<tr>
<td>11. $120</td>
<td>80%</td>
<td>$90</td>
</tr>
<tr>
<td>12. $112</td>
<td>64%</td>
<td>$72</td>
</tr>
<tr>
<td>13. $69.80</td>
<td>15%</td>
<td>$146.54</td>
</tr>
<tr>
<td>14. $80</td>
<td>10%</td>
<td>$45</td>
</tr>
<tr>
<td>15. $82</td>
<td>60%</td>
<td>$65.60</td>
</tr>
<tr>
<td>16. $95</td>
<td>25%</td>
<td>$61.75</td>
</tr>
</tbody>
</table>

Find the selling price.

17. Cost to store: $50
   Markup: 10%

18. Cost to store: $80
   Markup: 60%

19. Cost to store: $140
   Markup: 25%
20. **YOU BE THE TEACHER** The cost to a store for an MP3 player is $60. The selling price is $105. A classmate says that the markup is 175% because $105 \div 60 = 1.75$. Is your classmate correct? If not, explain how to find the correct percent of markup.

21. **SCOOTER** The scooter is on sale for 90% off the original price. Which of the methods can you use to find the sale price? Which method do you prefer? Explain.

   - Multiply $45.85$ by 0.9.
   - Multiply $45.85$ by 0.1.
   - Multiply $45.85$ by 0.9, then add to $45.85$.
   - Multiply $45.85$ by 0.9, then subtract from $45.85$.

22. **GAMING** You are shopping for a video game system.
   a. At which store should you buy the system?
   b. Store A has a weekend sale. What discount must Store A offer for you to buy the system there?

23. **STEREO** A $129.50 stereo is discounted 40%. The next month, the sale price is discounted 60%. Is the stereo now “free”? If not, what is the sale price?

24. **CLOTHING** You buy a pair of jeans at a department store.
   a. What is the percent of discount to the nearest percent?
   b. What is the percent of sales tax to the nearest tenth of a percent?
   c. The price of the jeans includes a 60% markup. After the discount, what is the percent of markup to the nearest percent?

25. **Critical Thinking** You buy a bicycle helmet for $22.26, which includes 6% sales tax. The helmet is discounted 30% off the selling price. What is the original price?

### Table: Stores and Costs

<table>
<thead>
<tr>
<th>Store</th>
<th>Cost to Store</th>
<th>Markup</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$162</td>
<td>40%</td>
</tr>
<tr>
<td>B</td>
<td>$155</td>
<td>30%</td>
</tr>
<tr>
<td>C</td>
<td>$160</td>
<td>25%</td>
</tr>
</tbody>
</table>

### Table: Department Store

<table>
<thead>
<tr>
<th>Jeans</th>
<th>Discount</th>
<th>Subtotal</th>
<th>Sales Tax</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$39.99</td>
<td>$10.00</td>
<td>$29.99</td>
<td>$1.95</td>
<td>$31.94</td>
</tr>
</tbody>
</table>

**Fair Game Review** What you learned in previous grades & lessons

**Evaluate.** *(Skills Review Handbook)*

26. 2000(0.085)  
27. 1500(0.04)(3)  
28. 3200(0.045)(8)

29. **MULTIPLE CHOICE** Which measurement is greater than 1 meter? *(Skills Review Handbook)*

   - **A** 38 inches
   - **B** 1 yard
   - **C** 3.4 feet
   - **D** 98 centimeters