

Sales Tax and Income Tax

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- 1 The 2014 Taxable Income Brackets and Rates table from the Internal Revenue Service is shown below.

Rate	Single Filers	Married Joint Filers	Head of Household Filers
10%	\$0 to \$9,075	\$0 to \$18,150	\$0 to \$12,950
15%	\$9,076 to \$36,900	\$18,151 to \$73,800	\$12,951 to \$49,400
25%	\$36,901 to \$89,350	\$73,801 to \$148,850	\$49,401 to \$127,550
28%	\$89,351 to \$186,350	\$148,851 to \$226,850	\$127,551 to \$206,600
33%	\$186,351 to \$405,100	\$226,851 to \$405,100	\$206,601 to \$405,100
35%	\$405,101 to \$406,750	\$405,101 to \$457,600	\$405,101 to \$432,200
39.6%	\$406,751+	\$457,601+	\$432,201+

Source: Internal Revenue Service

Based on the table, determine how much income tax Abelia owed in 2014 if she filed as the head of household and earned a total of \$125,000 working at her job. Round your answer to the nearest dollar.

- 2 The table below shows the federal income tax rate for wages earned for married couples.

Annual Income (Wages)	Income Tax Rate
\$0 to \$18,150	10%
\$18,151 to \$73,000	15%
\$73,001 to \$148,850	25%
\$148,851 to \$226,850	28%
\$226,851 to \$405,100	33%
\$405,101 to \$457,600	35%
Over \$457,600	39.6%

Bob and his wife had a combined income of \$350,000. How much did they earn after they paid income taxes?

- 3 The table below shows the federal income tax rate for wages earned for married couples.

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\$405,101 to \$457,600	35%
Over \$457,600	39.6%

Last year, Brian and his wife earned \$550,000 in wages. How much did he pay in income taxes?

- 4** A lawyer has an annual income of \$173,482 and will pay a 5.5% income tax rate. What is the amount of income tax in dollars and cents that the lawyer will have to pay?
- 5** A refrigerator is priced at \$525.50. There is a 6% sales tax rate. What is the sales tax for the refrigerator in dollars and cents?
- 6** Omar wants to purchase a new bicycle for \$134.45 and helmet for \$22.55.
If the sales tax rate is 8.25%, what will be the total amount of Omar's purchase including sales tax?

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- 7** Patrick wants to purchase new headphones and a new MP3 player. The headphones he wants cost \$199 and the MP3 player costs \$299. If the city imposes a 7.5% tax rate, how much will Patrick pay in sales tax for his purchase?

8 Part A

Amaia purchased two blouses for \$12.50 each and a skirt for \$11.25. The sales tax rate is $8\frac{1}{2}\%$. How much total sales tax will Amaia pay on these items?

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- 9** Chance buys four tickets to a concert in Dallas. Each ticket is \$149. The sales tax rate for the online ticket sales provider is 7.5%. How much will Chance pay in sales taxes?