

## Sales Tax and Income Tax Sample Problems

Some questions (c) 2017 by TEKS Resource System.

Some questions (c) 2017 by Region 10 Educational Service Center.

Some questions (c) 2017 by The Texas Education Agency.

- 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 Justin owed in 2014 if he filed as single and earned a total of \$10,200 working after school. 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%

The Rodriguez Family earned \$115,500 last year. How much did they pay in income taxes?

- 3 The table below shows the federal income tax rate for wages earned for single adults.

Annual Income (Wages)	Income Tax Rate
\$0 to \$9,075	10%
\$9,076 to \$36,900	15%
\$36,901 to \$89,350	25%
\$89,351 to \$186,350	28%
\$186,351 to \$405,100	33%
\$405,101 to \$406,750	35%
Over \$406,750	39.6%

Walter accepted a new job with an annual salary of \$47,500. How much can he expect to earn after paying income taxes?

- 4 A doctor has an annual income of \$152,125. The income tax the doctor has to pay is 6%. What is the amount of income tax in dollars and cents that the doctor has to pay?
- 5 Cassie wants to buy a pair of shoes for \$26.50 and a shirt for \$9.50. If the sales tax rate is 8.25%, what will be the amount of sales tax on Cassie's purchase?

- 6 Kevin is an employee at Good Deal Electronics. The electricity is not working one day after a thunderstorm, but Kevin still has to charge customers for their purchases. He writes up the following sales ticket by hand.

Good Deal Electronics	
972-555-5555	
Wireless Router	\$89.00
Ethernet Cable	\$15.00
Wire Cutters	\$6.00
Subtotal	
Tax (8.25%)	
Total	

How much should Kevin charge the customer for their total?

- 7 Julia goes school clothes shopping and purchases several items from her favorite store. She buys two shirts, each priced at \$16, a pair of jeans for \$40, and a skirt for \$25. The city where she is shopping imposes an 8.5% sales tax. What is the total amount Julia will pay for her purchase including tax?

- 8 Marty's Boutique is having a sale. Pants are 30% off of their regular price of \$23.50, shirts are 25% off of their regular price of \$16.25, and hats are 15% off of their regular price of \$9.75. Determine the sales tax for the purchase of 2 pairs of pants, 3 shirts, and 1 hat from the sale at Marty's Boutique if the sales tax rate is 7.5%. Round your answer to the nearest cent.