

Section 4.2 Worksheet
Mathematical Models in Personal Income

Name _____

1. John-Paul makes a straight 2.75 % commission on his sales of equipment. If he sells \$175,000 worth of equipment this month, how much will his paycheck be this month?
2. Suzanne makes a base salary of \$250 per week and a commission of 4% of sales over \$500. If she sells \$1250 of merchandise this week, calculate the amount of her weekly paycheck.
3. Mario sells used cars and is paid a straight commission of 8.5% of his weekly sales. He determines that he needs to gross \$1200 per week on average to support his family. Based on this, how much does he need to generate in sales revenue each week?
4. A realtor sells a house for \$105,000. The realty agency will receive 6% of the sales price. The selling agent will then receive 65% of the money paid to the agency as commission. How much does the selling agent make on this transaction?
5. Use the income tax table in your book to calculate the tax that is owed by a single taxpayer with a net income of \$28,550.
6. Use the income tax table in your book to calculate the tax that is owed by a taxpayer classified as married filing jointly with a net income of \$58,250.
7. Use the income tax table in your book to calculate the tax that is owed by a taxpayer classified as head of household with a net income of \$96,160.
8. Beth is single and has just started a full-time job. Her take-home pay after taxes have been withheld is \$2100. She wants to save 5% of her take-home pay each month. Her monthly expenses are: apartment rent \$600, utilities \$35, cell phone \$40, cable TV \$35, car payment \$200, groceries \$150, entertainment \$200 and gasoline \$150. Fill in a budget table and determine if she will be able to save 5% of her take-home pay.
9. The Consumer Credit Counseling Service recommends that your credit obligations (not including your house payment) should not exceed 15% of your take-home pay. If Bridgette's take-home pay is \$2490, what is the maximum monthly credit obligation that she should have?
10. The Consumer Credit Counseling Service recommends that your credit obligations (not including your house payment) should not exceed 15% of your take-home pay. If Ricardo's take-home pay is \$2695, what is the maximum monthly credit obligation that he should have?