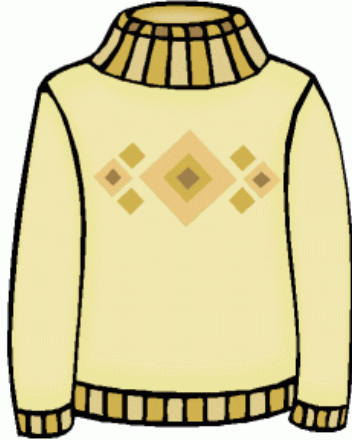Name _____   Date _____

Markups and Markdowns Word Problems - Step-by-Step Lesson

Lesson 1 Markups and Markdowns:

a. A sweater is marked down 35% off the original price. The original price was $40. What is the sale price of the sweater before sales tax?

Explanation:

The discount is 35% off of $40.The sale price of the sweater is the original price minus the discount, or 65% of the original price of the sweater.

 Sale Price = 0.65 x Original Price.

The Discount:
35% of 40 =
(0.35) x 40 = 14

Sales price = Original price – Discount
            =   40   -   14
            =   26
We can also calculate sales price in other way:

100 – Discount % =100 – 35 = 65%

65% x 40 = $26