

Name: \_\_\_\_\_

## Commissions and Graduated Commissions 1

Some employers pay their employees a commission instead of a set salary or hourly wage. Employees earn a commission by selling a product or service offered by the company. Commissions are paid as a percentage of sales or a set amount per sale. Graduated commissions are paid based on a different rate for different levels of sales.

### Formulas for Calculating Earnings

Total Sales  $\times$  Commission Rate = Commission

Sum of Commissions at Different Sales Levels =

Total Graduated Commission

**Directions: Read each question carefully and write your answer on the line provided.**

1. Wilson Green sells home security systems. He earns an 11 percent commission on every system he sells. Wilson's sales for this month totaled \$4265.00. What is Wilson's commission? \_\_\_\_\_
2. Bethany Richards is a book rep. She sells books to schools and libraries. She earns a 9 percent commission on every book she sells. Bethany's sales for the last four weeks were \$963.25, \$742.00, \$614.35, and \$837.10. What is Bethany's monthly commission? \_\_\_\_\_
3. Christy Rhodes sells makeup and gift items. She earns a 15 percent commission on her first \$500 worth of sales, 25 percent on the next \$1,500 in sales, and 50 percent on all sales exceeding \$2,000. For this campaign, Christy sold \$2,250.00 worth of makeup and gift items. What is Christy's total graduated commission? \_\_\_\_\_
4. Rodney Blevins is a vacuum cleaner salesman. He earns a 22 percent commission on every vacuum cleaner he sells. In the month of December, Rodney sold 10 vacuum cleaners costing \$1,258.00 each. What is Rodney's commission for the month of December? \_\_\_\_\_
5. Juan Garcia sells life insurance policies. He earns a 12 percent commission on every policy he sells. Juan made the following sales this week: Monday \$425.00, Tuesday \$694.25, Wednesday \$296.14, Thursday \$501.85, and Friday \$358.76. What is Juan's commission for the week? \_\_\_\_\_
6. Gina Reed sells food storage container sets. She earns a 12 percent commission on her first \$350 worth of sales, 25 percent on the next \$650 in sales, and 35 percent on all sales exceeding \$1,000. This month Christy sold \$1,495.00 worth of food storage container sets. What is Gina's total graduated commission?  
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7. Ray Welborn is a car salesman. He earns a 7 percent commission on every car he sells. If he sold two cars this month totaling \$58,965.00, what is the amount of Ray's commission? \_\_\_\_\_
8. Shelly Crane is a realtor. She is paid a 3 percent commission on every house she sales. Her sales for the month of March were \$95,900.00, \$129,650.00, and \$378,420.00. What is Shelly's commission for the month of March? \_\_\_\_\_
9. Derek Tindale sells appliances. He is paid a 6.5 percent commission on every appliance he sells. Derek sold \$9,732.00 worth of appliances this week. What is Derek's commission? \_\_\_\_\_

