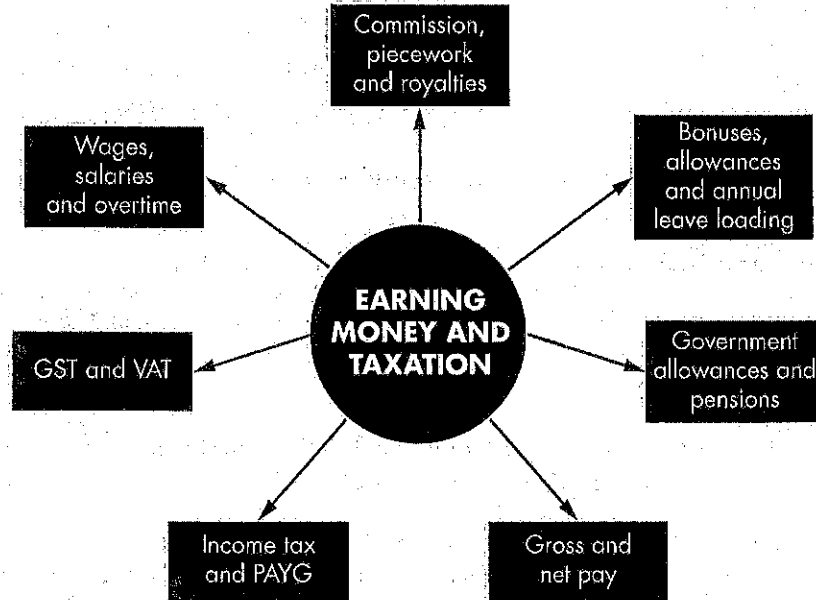


This chapter, Earning money and taxation, looked at the different ways people earn or receive incomes and pay taxes based on earning and spending. You should be able to calculate incomes earned in a variety of ways, including commission, annual leave loading, allowances, pensions and overtime. You have learned to calculate income tax and the Medicare levy, and the tax refund or debt after PAYG tax has been paid. Finally, you looked at GST and VAT.

Make a summary of this topic. Use the outline at the start of this chapter as a guide. An incomplete mind map is shown below. Use your own words, symbols, diagrams, boxes and reminders. Gain a 'whole picture' view of the topic and identify any weak areas.





Earning and taxation crossword

Exercise 3.01

Exercise 3.01

Exercise 3.01

Exercise 3.02

Exercise 3.02

Exercise 3.02

Exercise 3.03

Exercise 3.03

- 1 Convert each wage to a yearly amount, correct to the nearest cent.
- a weekly wage of \$831.15                      b fortnightly wage of \$1948  
c monthly wage of \$3786.

- 2 Calculate to the nearest cent the pay amount for an annual salary of:
- a \$138 611 paid weekly                      b \$98 503 paid fortnightly  
c \$263 764 paid monthly.

- 3 Marley works three days a week as a part-time carer. She is paid \$25.70 per hour up to 5 p.m. and time-and-a-half after that. Use the roster to calculate how much she earned this week.

Day	Start time	Finish time
Monday	1000	1900
Wednesday	0900	1300
Friday	1600	2200

- 4 Huon picked 28 buckets of grapes and was paid \$5.65 per bucket.
- a How much did Huon earn?  
b How many buckets would Huon need to pick to earn \$395.50?
- 5 Maggie made cupcakes and sold them to a shop at \$4.80 per dozen, or \$38 for 100. How much more per cupcake did she earn by selling them in lots of 100 rather than by the dozen?
- 6 Goran earned a 10% royalty on each of his books sold. If his book sells for \$45.95, how much will he earn if 2537 books are sold?
- 7 Byron works in a mine and earns an hourly rate of \$39.65. He also gets a below ground allowance of \$9.84 per hour, double his hourly rate on weekends and a meal allowance of \$27.40 per day if he works six or more hours:

Calculate Byron's total income in a week he worked the following shifts:

- Monday: 12 noon–5 p.m. above ground  
Wednesday: 2 p.m.–7 p.m. below ground  
Friday: 9 a.m.–12 noon above ground, and  
2 p.m.–6 p.m. below ground  
Saturday: 10 a.m.–2 p.m. below ground, and  
3 p.m.–5 p.m. above ground

- 8 The Great Gals electrical store pays a holiday loading of 17.5% of four weeks' pay to each employee. How much holiday loading is paid to Nirmal, the manager, who earns a salary of \$86 430?

9 Use the table from section 3.04 on page 102 to calculate the fortnightly Age pension payment of Roger (aged 66) and Tatiana (aged 68) who are legal guardians of their two school-aged grandsons and have a combined income of \$280 per week doing administrative work in an office.

Exercise  
3.04

10 Jack earns a salary of \$94 762, pays \$594.10 PAYG tax per week and has \$28.70 per week deducted for union fees. Correct to the nearest cent, calculate:

Exercise  
3.05

- a how much tax Jack pays per year
- b how much tax Jack pays per fortnight
- c Jack's gross fortnightly pay
- d Jack's net pay per fortnight.

11 Melissa earned a yearly salary of \$118 764. She paid \$1424.30 PAYG tax per fortnight and claimed tax deductions of \$13 102.20 per year. Calculate her:

Exercise  
3.06

- a taxable income (rounded down to the nearest dollar)
- b income tax payable (using the table on page 113)
- c Medicare levy
- d tax debt or tax refund.

Exercise  
3.07

12 A dishwasher has a selling price in Australia of \$1246 (including GST). If GST is 10% of the original price, how much GST is included in this price?

Exercise  
3.08

13 Use the table to find the VAT to be added on goods priced at:

Country	Currency	VAT
Hungary	forint	20%
Mexico	peso	15%
Romania	new lei	19%
South Africa	rand	14%

Exercise  
3.08

- a 1262 pesos
- b 235 new lei
- c 26 950 rand.

14 Use the table to calculate the price before VAT was added to:

Exercise  
3.08

- a a car purchased for 200 000 pesos
- b a TV bought for 171 400 forint.

Chapter quiz

Finish time
1900
1300
2200

8 for 100.  
rather than by

or \$45.95,

below ground  
real allowance

weeks' pay to  
ager, who earns a

# SOLUTIONS

## Test yourself 3

- 1** a \$43 219.80    b \$50 648    c \$45 432
- 2** a \$2656.40    b \$3775.51  
c \$21 980.33
- 3** \$578.25
- 4** a \$158.20    b 70
- 5** Maggie earns 2c less, not 2c more
- 6** \$11 657.52
- 7** \$1332.57
- 8** \$1159.47
- 9** \$1193.70
- 10** a \$30 893.20    b \$1188.20  
c \$3632.12    d \$2386.52
- 11** a \$105 661    b \$26 726.57  
c \$2113.22    d refund of \$8192.01
- 12** \$113.27
- 13** a 189.3 pesos    b 44.65 new lei  
c 3773 rand
- 14** a 173 913.04 pesos  
b 142 833.33 forint