

# [Business math essay](https://assignbuster.com/business-math-essay/)

Sullivan’s Handbags marks up their bags at 45% of the selling price. Pat Sullivan saw a bag at a trade show that she would sell to her customers for $85. What is the most she could pay for the bag and still retain the 45% markup of the selling price? 6. Jeff Jones earns $1, 200 per week. He is married and claims four withholding allowances. The FICA rate is as follows: Social Security rate is 6. 2% on $97, 500; Medicare rate is 1. 45%. To date his cumulative wages are $6, 000. Each paycheck, his employer also deducts $42. 50 for health insurance. What is his net pay? (Calculate FIT by the percentage method. 7. Lisa Kane borrowed $8, 000 on an 8%, 60-day note. After 15 days, Lisa paid $2, 000 on the note. On day 45, Lisa paid $1, 000 on the note. What is the total interest and ending balance due by the U. S. rule? Use ordinary interest. 8. On May 12, Bob Campbell accepted a $5, 000 note in granting a time extension of a bill of goods bought by Rick Ween. Terms of the note were 8% for 120 days. On July 8, Bob needed to raise cash and discounted the note at Rick’s bank at a discount rate of 9%. Calculate Bob’s proceeds. 9. Jacob Fonda deposited $25, 000 in a savings account at 10% interest compounded semiannually.

At the beginning of Year 4, Jacob deposits an additional $40, 000 at 10% interest compounded semiannually. At the end of six years, what is the balance in Jacob’s account? 10. Roger Fox made deposits of $900 semiannually to Reel Bank, which pays 6% interest compounded semiannually. After seven years, Roger made no more deposits. What would be the balance in the account eight years later from the last deposit? 11. Dick Hercher borrowed $7, 000 to travel to London. His loan is to be paid in 48 monthly installments of $190. At the end of 14 months, Dick decides to pay off his loan. What is the final payoff Dick will make?