

Chapter 6 – Cash Purchases

I-Summary

This chapter helped you understand cash purchases. You are now familiar with coupons, markdowns, rebates, and sale prices when shopping in stores. In order to determine value and cost, it is important to be able to calculate the exact price you will pay according to whichever method a store uses to sell its merchandise or services, plus any sales tax added to your purchase.

I-Quiz

1. A *rebate* is a discount you receive:
 - A. when you pay for an item
 - B. after you mail in a coupon, sales receipt, and UPC code
 - C. when you present a coupon to the sales clerk.
2. To *compare unit prices between two products*, what should you divide the price per item by?
 - A. the measure or count of the unit
 - B. the markdown of the item
 - C. the total selling price of each product
3. A *percentage of the selling price* charged by states is called:
 - A. a markdown
 - B. a rebate
 - C. sales tax
4. If a shirt is *marked down 25%*, what will the purchase price be?
 - A. \$25
 - B. 50% off
 - C. 75% of its original price
5. When comparison shopping between a small quantity of an item versus a large quantity of an item, you should determine:
 - A. the better buy based on the unit price
 - B. whether you will use all of a larger-sized product before it goes to waste
 - C. both of the above

Answer Key

- 1. B**
- 2. A**
- 3. C**
- 4. C**
- 5. C**