

Chapter 1: Earning an Income

Name: _____

Test Review

Percents

$$\frac{\text{part}}{\text{whole}} = \text{decimal} \xrightarrow{\times 100} \text{percent}$$

ex. $0.25 \xrightarrow{\times 100} 25\%$

Time

$$4 \text{ hr } 30 \text{ min} = 4.5 \text{ hr}$$

$$\frac{30}{60} = \frac{1}{2} = 0.5 \quad \text{min} \rightarrow \text{hours}$$

$\div 60$

Salaries

Annual = Yearly (52 weeks, 12 months)

ex. \$40,000 yearly salary

- weekly salary ($\div 52$) = 769.23
- monthly salary ($\div 12$) = 3333.33
- biweekly ($\div 26$) = 1538.46
- semi-monthly ($\div 24$) = 1666.67

Hourly Wages

$$\text{Income} = \text{Wage} \times \text{Hours Worked}$$

ex. 25 hr per week @ minimum wage

$$\text{Income} = 10.25 \times 25 = \$256.25$$

Overtime Regular Workweek = 40 hr.

Paid as "time and a half"
"double time"

$$\begin{aligned} \text{day} &= 8 \text{ hr} \\ &\times 1.5 \\ &\times 2 \end{aligned}$$

$$\begin{aligned} \text{RT: } &\text{Wage} \times \text{reg. hours} \\ \text{OT: } &\text{Wage} \times \text{OT hours} \times \text{OT Rate} \end{aligned}$$

$$\text{Income} = \text{Regular work} + \text{Overtime work}$$

Commission

$$\text{Commission} = \text{decimal} \times \text{Sales}$$

(% $\div 100$)

ex. 2.5% of \$1500

$$= 0.025 \times 1500 = \$37.50$$

Piecework

$$\text{Income} = \text{Items completed} \times \text{Rate of pay}$$

ex. Plant 150 trees at \$0.08 per tree

$$= 0.08 \times 150 = \$12.00$$

Deductions

As a % :

$$\text{decimal} \times \text{gross income} = \text{deduction}$$

(% $\div 100$)

$$\text{net income} = \text{gross income} - \text{deduction}$$