

Topic: Percent markup

Question: If a bicycle store purchases a bike from the manufacturer for \$100, and they mark it up 3 % , how much are they selling the bike for?

Answer choices:

- A \$3
- B \$110
- C \$103
- D \$105



Solution: C

First, we'll find the amount of money by which the store marked up the price of the bike. We'll multiply 3 % by the manufacturer's price, which is the price the store paid to the manufacturer.

3 % of \$100

$$\frac{3}{100} \cdot \$100$$

\$3

They marked it up by \$3, so we'll add that to the purchase price to find the selling price.

$$\$100 + \$3$$

\$103



Topic: Percent markup

Question: If a furniture store purchases a sofa from the manufacturer, marks it up by 62% , and sells the item for \$1,296.00, how much did the store pay the manufacturer for the sofa?

Answer choices:

- A \$800.00
- B \$900.00
- C \$1,000.00
- D \$1,100.00



Solution: A

If the store paid x for the sofa and marked it up by 62 % , then the price they're selling it for is 1.62 times the price they paid for it.

$$1.62x = \$1,296.00$$

$$\frac{1.62x}{1.62} = \frac{\$1,296.00}{1.62}$$

$$x = \$800.00$$

The store paid the manufacturer \$800.00 for the sofa, marked it up by 62 % or \$496.00, and then sold the item to the customer for \$1,296.00.



Topic: Percent markup

Question: If you mark up a jacket by 40 % and then sell it for \$63, what is the amount of your markup?

Answer choices:

- A \$70
- B \$40
- C \$18
- D \$30



Solution: C

If we say that you purchased the jacket for x dollars, then the price after a 40 % markup is applied can be expressed as

$$1.4x$$

This amount has to be equal to the amount you sold it for after the markup, which means

$$1.4x = \$63$$

$$x = \frac{\$63}{1.4}$$

$$x = \$45$$

If you originally paid \$45 for the jacket, and then sold it for \$63, the amount of the markup was

$$\$63 - \$45$$

$$\$18$$

