The formula for finding interest is

I = P R T

I = interest P = principal (amount of loan) R = rate (%) T = time (1 year)

1. Margie borrowed $700. The interest rate is 8%. Find the interest for <u>one year</u>.

I = P R T

① $5.60
② $15.00
③ $56.00
④ $560.00
⑤ $5,600.00

2. Henrietta has a savings account. Find the interest for <u>one year</u> on her savings of $955 if the interest rate is 5%.

I = P R T

① $.47
② $4.75
③ $4.77
④ $47.75
⑤ $477.75

3. Find the interest for <u>3 months</u> on a school loan of $1,500 when the interest rate is 8.5%. Round your answer off to the nearest penny.

I = P R T

① $12.75
② $31.88
③ $127.00
④ $127.50
⑤ $127.75

4. Find the interest for <u>one year</u> on a loan of $8,500 when the interest rate is 9%.

I = P R T

① $7.65
② $76.50
③ $76.59
④ $765.00
⑤ $768.00

5. Find the interest for <u>six months</u> on a loan of $500. The interest rate is 7%.

I = P R T

① $3.50
② $17.50
③ $35.00
④ $175.50
⑤ $350.00

6. The rate is 6%. Find the interest for <u>nine months</u> on a loan of $700.

I = P R T

① $4.20
② $31.50
③ $35.00
④ $42.00
⑤ $45.00

The formula for finding interest is

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7. Which of the following expressions represents the **interest** on $2000 at a rate of 10% for 1 year?

I = P R T

① $2000 x 10 x 12
② $2000 x 10 x 1
③ $2000 x .1 x 12
④ $2000 x .1 x 1
⑤ $2000 x .01 x 1

8. Which of the following expressions represents the **interest** on $500 at a rate of 8% for 6 months?

I = P R T

① $500 x 8 x 6
② $500 x .08 x 6
③ $500 x .8 x 6
④ $500 x .08 x .5
⑤ $500 x .08 x 1.2

9. Which of the following expressions represents the **interest** on $800 at a rate of 6% for 3 months?

I = P R T

① $800 x .6 x 3
② $800 x .06 x 3
③ $800 x .06 x .75
④ $800 x .06 x .25
⑤ $800 x .06 x .5

10. Which of the following expressions represents the **interest** on $1500 at a rate of 12 ½ % for 1 year and 6 months?

I = P R T

① $1500 x 12.5 x 1.5
② $1500 x 1.25 x 1.5
③ $1500 x .125 x 1.5
④ $1500 x 125 x 1.5
⑤ $1500 x .125 x 1.6

11. Which of the following expressions represents the **interest** on $3000 at a rate of 4.5% for 2 years?

I = P R T

① $3000 x 4.5 x 24
② $3000 x .45 x 2
③ $3000 x .045 x 2
④ $3000 x 45 x 2
⑤ $3000 x .045 x 24

12. Which of the following expressions represents the **interest** on $900 at a rate of 9% for 8 months?

I = P R T

① $900 x .09 x ½
② $900 x .09 x ¼
③ $900 x .9 x ¾
④ $900 x .09 x $^1/_3$
⑤ $900 x .09 x $^2/_3$