

# Precalc 11 Assign 1 (5%) How much in taxes?

NAME:

Everyone who earns or spends money in Canada contributes to the public purse, and everyone benefits in the form of roads, schools, hospitals, health care, social security etc.

The more you earn or spend, the more tax you pay.

## Tax on Car Purchase

Look up [autotrader.ca](http://autotrader.ca) Find a car, a truck or an SUV that you might like to buy.

We pay 12% tax on a car bought through auto-trader or used victoria in BC.

Picture:			
Make:	Model:	Year:	kms:

Price:	Tax at 12%:	Total you pay:
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Look up a dream car you might one day buy.

Assume you pay 12% tax on this car (although it might be higher if bought through a dealer).

Picture:			
Make:	Model:	Year:	kms

Price:	Tax at 12%:	Total you pay:
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Tax on buying House

**Home buyers in BC** pay a provincial **Property Transfer Tax (PTT)** when they **buy a home**. The **tax** is charged at a rate of 1% on the first \$200,000 of the **purchase price** and 2% on the remainder up to and including \$2 million. The PTT is 3% on amounts greater than \$2 million.

Do a search such as 'homes for sale in Colwood'.

1. Find a home with a purchase price less than \$600,000.

Details:	Picture:
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Price asked for	Tax on first \$200k	Tax on remainder	Total Purchase price

2. Find a dream home, still in BC (more than \$2m).

Details:	Picture:
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Price asked for	Tax on first \$200k	Tax on portion between \$200k and \$2m	Tax on remainder	Total Purchase price

## Tax on regular goods

We pay 12% on most items.

What mental arithmetic strategy can you use before going to the till to make a purchase, to calculate the total price?

**Describe:**

Look up your preferred shop, to get a price on these items. Try out your strategy on the following items, then calculate with a calculator.

Item	shop	Price	Estimated total	Calculated total (price $\times$ 1.12)
Hoodie				
Jeans				
Shoes, runners				
Laptop				

Extra space here ... draw/paste a picture that has something to do with money, tax, or one of the above items?

Taxes on other necessary goods, some research

Are there any items in BC that are tax exempt? Eg, what foods?

When you buy fuel (gas) the price on the pump is the price you pay (it includes tax). What percentage of that price is tax? (not 12%)

Is your home heated with gas or electricity? How much do we pay in tax for gas? How much for electricity?