

SAMPLE CHAPTER TESTName: Answer Key

Date: _____

Part A: Multiple Choice

Choose the correct answer to the following questions:

- Marietta is a tree planter who works on northern New Brunswick reforestation projects. She is paid 1 cent for each tree sapling she plants. One week she planted 2473 saplings. How much did she earn that week?
a) \$145.47 b) \$4204.10 c) \$420.41 d) \$14 547.06
- On a pay statement, which will be the highest:
a) net pay b) tax deductions c) taxable income d) gross earnings
- Leila is paid a 10% commission on sales she makes. One week she sells \$11 120.00 worth of goods. What is her commission for that week?
a) \$1121.00 b) \$1112.00 c) \$112.00 d) \$11 120.00
- Marco earns \$17.26 an hour. He receives a 3% raise. How much will he earn in an 8-hour day?
a) \$179.50 b) \$124.22 c) \$142.24 d) \$138.49
- Hamad earns \$10.50 an hour as a waiter. If he works 22 hours in a week and earns \$285.50 in tips, what are his total earnings for the week?
a) \$187.00 b) \$1307.50 c) \$516.50 d) \$463.60

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Part B: Short Answer

6. Edouardine finds that approximately 40% of her gross pay goes to deductions. How much will her weekly take-home pay be if she earns \$12.10 an hour and works 40 hours a week?

$\begin{array}{r} 12.10 \\ \times 40 \\ \hline \$484 \end{array}$	$\begin{array}{r} 484 \\ 40.40 \text{ (deductions)} \\ \hline \$193.6 \end{array}$	$\begin{array}{r} 484 \\ -193.6 \\ \hline 290.4 \end{array}$
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7. Sachiko earns \$4.10 for each venetian blind that she assembles. If she wants to earn \$600.00 a week, how many venetian blinds will she need to assemble?

$\frac{600}{4.10} = 146.34$ *She will have to assemble 147 blinds.*

8. A welder earns \$28.10/h and his overtime rate is time and a half. His regular work week is 40 hours. If he earned \$2479.83 in 2 weeks, how many hours of overtime did he work?

$\begin{array}{r} \text{Reg. Time} \\ \$28.10 \\ \times 40 \\ \hline 1124 \end{array}$	$\begin{array}{r} \text{overtime} \\ \text{wages} \\ 28.10 \times 1.5 \\ \$42.15 \end{array}$	$\begin{array}{r} \text{Reg. Time} \\ 2 \text{ weeks} \\ \$2248 \end{array}$	$\begin{array}{r} \$2479.83 \\ -2248 \\ \hline \$231.83 \end{array}$	$\begin{array}{r} 231.83 \div 42.15 \\ \hline 5.5 \text{ hours} \end{array}$
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10. Kurt earns a monthly salary of \$3425.00 in Moncton, NB! On each monthly paycheque, in addition to the mandatory deductions (tax claim code 1), he pays \$15.00 in union dues, \$225.00 into a registered pension plan, and \$40.00 for parking. What is his taxable income?

15
225

240

$\begin{array}{r} \$3425 \\ -240 \\ \hline 3185 \end{array}$

Overtime rate $28.10 \times 1.5 = \underline{\underline{42.15}}$

$28.10 \times 80 = 2248.00$
 $2479.83 - 2248.00 = 231.83$
 $231.83 \div 42.15 = 5.5$

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$3425 - 15 - 225.00 - 40 = \underline{\underline{3145}}$

11. Tom works as a home support worker and earns \$17.50 an hour. If he works more than 8 hours on any day, he gets paid double the hourly rate. His shifts for one week are shown on the time card.

a) Tom earns \$35 an hour for overtime.

b) How many overtime hours did Tom work this week? 1.75 Hrs.

c) What were his gross earnings?

$1.75 \times 35 = 61.25$
 $35.25 \times 17.50 = 616.88$
 $= \underline{\underline{\$678.13}}$

Time Card						
Employee Name: Tom						
Day	IN	OUT	Hours	Minutes	Decimal	Overtime
Sunday	8:15 am	5:00 pm	8	45	8.75	0.75
Monday	10:00 am	6:30 pm	8	30	8.5	0.5
Tuesday	12:30 pm	9:00 pm	8	30	8.5	0.5
Wednesday	1:00 pm	4:30 pm	3	30	3.5	
Thursday						
Friday						
Saturday	8:00	3:45	7	45	7.75	

Overtime = 1.75

12. Liliana works in sales for a cell phone company. She earns a base salary of \$1800.00 a month plus a 5% commission for every two-year service contract that she sells. Each contract is worth \$360.00 and she sold 35 contracts in July.

a) What is her commission?

$$\begin{array}{r} \$360 \\ \times 35 \\ \hline \$12600 \end{array} \qquad \begin{array}{r} \$12600 \\ \times 0.05 \\ \hline \$630 \end{array}$$

18.29

b) How much did she earn in July?

$$\begin{array}{r} \$1800 \\ + 630 \\ \hline \$2430 \end{array}$$

13. Margrit earns \$475.00 a week plus 7% commission on her sales. What amount would she have to sell to earn \$750.00 a week?

$$\begin{array}{r} \$750 \\ - 475 \\ \hline 275 \end{array} \qquad 275 \div 0.07 = \$3928.57$$

Pay End Date: 7 / 1 / 11			
General		Taxes Data	
Employee ID: 62145	Job Title: Gas Fitter	Description	Federal
Address: St. John's NFLD	Pay Rate: 15.50/hr Annual:	Claim Code	2
Hours and Earnings		Before-Tax Deductions	
	Current	Description	Amt.
Hours		Union Dues	\$ 18.75
Description	Rate	Pension	
Regular 80	\$ 15.50	Total	18.75
Overtime 8	\$ 23.25		
	Gross Earnings		
	1426		
Total :		Taxes	
		Description	Current
		Federal	122.75
		Provincial	84.00
		CPP	63.92
		EI	25.38
		Total	296.05
Paycheque Summary			
Gross Earnings	Taxable Gross	Total Taxes, CPP, and EI	Total Deductions
1426.00	1407.25	296.05	314.65
			Net Pay
			1111.20

Reg $80 \times 15.50 = 1240$
Overtime $15.50 \times 1.5 = 23.25$
 $8 \times 23.25 = 186$

Gross
 1240.00
 $+ 186.00$
 $= 1426.00$

CPP
 ① $\frac{3500}{26} = 134.62$
 ② $1426 - 134.62 = 1291.38$
 ③ $1291.38 \times 0.0495 = 63.92$

EI
 $1426.00 \times 0.0178 = 25.38$