

## FM.5 Extra Practice

Where needed, use the following rates.

- federal income tax = 15% for the first \$43 561 of taxable income + 22% of additional income up to \$87 123
  - provincial income tax = 8.79% for the first \$29 590 of taxable income + 14.95% for the next \$29 590
  - CPP = 4.95% of gross income minus \$3500, to a maximum of \$2356.20
  - EI = 1.88% of gross income, to a maximum of \$891.12
1. A saleswoman at a clothing store earns 3% of sales, plus an hourly wage of \$10/h. Last week, she worked 40 hours and sold \$2300 worth of clothing. What is her gross pay for last week?
  2. Robin works part-time as a tailor. He is paid \$3.50 for each pair of pants he hems. This week, he hems 30 pairs of pants. What is his gross pay for this week?
  3. **a)** Michele has two job offers.  
Job 1: Commission of 9% of sales  
Job 2: Base salary of \$400 weekly + 2% commission on sales  
If she expects to sell \$9000 worth of merchandise each week. Which job would you suggest Michele accept? Explain your reasoning.  
**b)** In both jobs, Michele will be paid twice a month. What deductions should she expect from each paycheque?
  4. A magazine company hires Josiah to sell magazine subscriptions for 2 weeks. He will work 6 days a week and earn \$5.00 for every subscription he sells.  
**a)** If he is required to sell a minimum of 10 subscriptions per day, how much will he earn during his first week of employment?  
**b)** For the second week, the company wants Josiah to sell a minimum of 20 subscriptions per day. How much will he earn that week?  
**c)** This is a summer job for Josiah, who is a student. How much income tax, EI, and CPP will be deducted from his pay for the above 2 weeks?
  5. Nia is the assistant property manager of an apartment building. She earns a base salary of \$350/week and a 5% commission on the first month's rent for each new tenant. If she signs up 5 new tenants in 1 month, she earns a \$200 bonus.  
**a)** This month, she signs up 7 new tenants. They each pay \$750 per month. Calculate her gross pay for a 5-pay month.  
**b)** Another building will pay her \$650/week. Should she change jobs? Use an organizer to organize your answer.

