

Name \_\_\_\_\_

1. **Gross income** is the total amount of money you earn.

**Net income** is the amount of money you receive after **deductions** are subtracted from your gross income.

Multiply to find Francesca's gross income.

Number of hours	Pay each hour	Gross income
_____	× \$ _____	= \$ _____

Francesca's Work Record	
Number of hours:	30
Rate:	\$11 each hour

2. The deductions from Francesca's gross income are shown at the right.

Federal Income Tax	\$39.60
Social Security	\$20.46
Medicare	\$4.79
Health insurance	\$18.55
Total deductions	\$ _____

Add to find the total amount of the deductions. →

3. Subtract to find Francesca's net income.

_____	← Gross income
- _____	← Deductions
_____	← Net income

Francesca's net income was \$ \_\_\_\_\_

### On the Back!

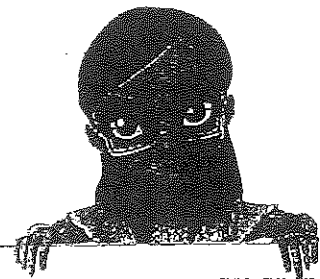
4. Kim earns \$13 an hour. Last week she worked 31 hours. The deductions that were subtracted from her gross income are shown at the right. Find Kim's gross income and net income.

Federal Income Tax	\$48.36
Social Security	\$24.99
Medicare	\$5.85
Neighbor's Aid Charity	\$5.00

For 4 and 5, use the yearly property tax bill.

4. The Ericsons have a house payment each month of \$1,436 before taxes. They make a monthly payment for their property tax that gets added to their house payment. What is the total amount of their monthly payment with taxes?

5. The Ericsons' monthly net income is \$7,500. How much of this amount is left after they pay their monthly house payment with taxes?



Yearly Property Tax Bill	
Jacob Ericson and Sonya Ericson 1925 Springfield Avenue	
Please pay this amount:	\$1,632

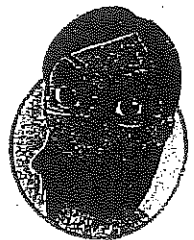
6. Connect Nina's net income was \$423.65, and her gross income was \$558. What was the total amount of deductions?

7. Ricky's net income was \$258.17. What was his gross income if the total amount of the deductions was \$69.83?

- A \$188.34
- B \$327.00
- C \$328.00
- D \$397.83

8. Construct Arguments Otis bought a flashlight for \$8 and a sleeping bag for \$55. The sales tax was 7%, which means 0.07 times the price. Find the amount of sales tax Otis paid on his purchases. Explain two different ways to solve the problem.

9. Extend Your Thinking Mr. Pardo's gross income each month is \$3,092. He spends  $\frac{1}{3}$  of his net income on rent. How much rent does he pay if the deductions from his gross income total \$692 a month?



What amount must you find first in order to solve this problem?