Sales Tax / Value Added Tax

A. Choose the correct answer:

1. A television is purchased for ₹20000 and the sales tax charged is 8%. The total amount paid is:

a) ₹21600   b) ₹21800

c) ₹22000   d) ₹22400

2. If the selling price of an article is ₹500 and VAT is 10%, then the amount of VAT is:

a) ₹50   b) ₹55

c) ₹60   d) ₹45

3. VAT is generally calculated on:

a) Cost Price   b) Selling Price

c) Profit   d) Loss

4. A washing machine costs ₹15000 and VAT is 12%. Find the total price paid.

a) ₹16600   b) ₹16800

c) ₹17000   d) ₹17200

5. If sales tax is 5% and the cost of an article is ₹1200, then the tax amount is:

a) ₹50   b) ₹55

c) ₹60   d) ₹65

B. Write the Missing Terms to Complete the Sentences:

1. Sales Tax is calculated on ____.

2. Total Bill Amount = Cost Price + ____.

3. If VAT is 10% on ₹2000, then VAT amount is ____.

4. If no tax is charged, the Bill Amount is same as ____.

5. VAT is a type of ____ tax.

C. Figure out the answers to these questions:

1. Find the amount of sales tax paid on a laptop costing ₹50000 if the tax rate is 18%.

2. A dining table costs ₹10000 and VAT charged is 12%. Find the final price.

3. A shopkeeper sells an item for ₹1500 and charges 5% VAT. How much amount does the customer pay?

4. A mobile phone is sold for ₹18000. The buyer has to pay 8% VAT. Find the total amount paid.

5. The cost of a printer is ₹4500. After including 6% VAT, find the total bill amount.

D. Mark each sentence with a True (✔) or False (✗):

1. Sales Tax is calculated on the Selling Price of an item. ____

2. VAT amount is subtracted from the selling price to find total cost. ____

3. If an article costs ₹1000 and VAT is 5%, the buyer pays ₹1050. ____

4. Higher the rate of VAT, greater the tax amount. ____

5. Sales Tax and VAT are types of indirect taxes. ____

E. Challenge yourself with these questions:

1. A computer costs ₹40000 and VAT charged is 10%. Find the amount of tax and total amount paid.

2. A mobile is sold for ₹15000 and sales tax charged is 12%. Find the amount of tax.

3. A shopkeeper sells a sofa for ₹25000 and charges 18% VAT. Find the total bill amount.

4. If a washing machine costs ₹18500 and VAT is 8%, calculate the amount to be paid by the customer.

5. A television is priced at ₹32000. VAT at 10% is charged. Find the tax and the final amount.