Question 1

If a markup is based on selling price, then the _________ is the base and represents 100%.
A) cost
B) selling price
C) markup
D) margin

Question 2

Write the word name for the decimal 3.6:
I. three and six tenths
II. three point six
III. 36 hundredths
A) I only
B) either I or II
C) III only
D) II only

Question 3

Frequency of occurrence is a factor when calculating the weighted average mean.
A) True
B) False

Question 4

The payee endorses the back of a check.
A) True
B) False

Question 5

Sales of frozen pizza for a club fund-raiser increased from 500 one year to 610 the next year. What was the percent of increase?
A) 22%
B) 82%
C) 18%
D) 78%

Question 6

An invoice in the amount of $290.00 with credit terms of 3/10, EOM is dated April 27. If it is paid June 9, the amount due is $281.30.
A) True
B) False

Question 7

If you assume each month has 30 days when calculating interest, time is considered:
A) variable
B) approximate
C) ordinary
D) exact

Question 8

Merchandise with a net price of $1,400.00 and a trade discount rate of 30 percent has a list price of $2,000.00.
A) True
B) False
Question 9
Which of the following, in a bank statement reconciliation, would be deducted from the bank statement balance?
A) outstanding deposits
B) outstanding checks
C) bank service charges
D) NSF charges

Question 10
The units-of-production method of depreciation is based on the passage of time.
A) True
B) False

Question 11
The person or entity named in an insurance policy to receive the proceeds in the event of the death of the insured is the:
A) insurer
B) beneficiary
C) insured
D) both the insurer and the beneficiary

Question 12
Find the installment price of a laptop computer bought on the installment plan with $90 down and 36 payments of $33.05.
A) $1189.80
B) $939.99
C) $1279.80
D) $90

Question 13
The reduction of principal each month is equal to the payment amount plus one month's interest.
A) True
B) False

Question 14
In the tables for calculating compound interest, the number of periods is equal to:
A) the number of years times the number of compounding periods per year
B) the number of years divided by the rate
C) the number of years divided by the number of compounding periods per year
D) the number of years times the rate

Question 15
Rounding can be used to approximate an answer.
A) True
B) False

Question 16
Simple interest is interest earned on interest.
A) True
B) False

Question 17
A list of numerical information grouped in some meaningful form is called a:
Question 18
An invoice dated December 18 is received by Renee Company in the amount of $1,850.60. The credit terms are 2/10, ROG. Assuming the goods are received on December 23 and the invoice is paid on January 2, the amount due is:
A) $1,813.95
B) $1,850.60
C) $1,813.59
D) $1,850.60 plus a penalty

Question 19
The discount period of a note is the number of days the bank holds the note until it matures.
A) True
B) False

Question 20
An item selling for $633 is marked down 25% for a special promotion. It is later marked down 20% of the sale price. What is the final selling price of the item?
A) $348.15
B) $379.80
C) $791.25
D) $588.00

Question 21
7.5 divided by 0.25 and 750 divided by 25 both equal 30.
A) True
B) False

Question 22
In division, the answer is called the:
A) remainder
B) divisor
C) quotient
D) dividend

Question 23
Round 21,430 to thousands.
A) 31,000
B) 21,100
C) 21,000
D) 22,000

Question 24
If an equation indicates subtraction, you would perform addition to both sides of the equation to isolate the variable.
A) True
B) False

Question 25
Find the exact interest on a loan of $93,000 at 12% annually for 137 days.
A) $4280.55
B) $4340.00
C) $4188.82
D) $4247.00

Question 26
8% of 99 is what number?
A) rate (%) = 8%
  base (of) = unknown number
  portion (is) = 99
B) rate (%) = unknown number
  base (of) = 99
  portion (is) = 8%
C) rate (%) = 99%
  base (of) = 8
  portion (is) = unknown number
D) rate (%) = 8%
  base (of) = 99
  portion (is) = unknown number

Question 27
Statistical data cannot be presented in tables or graphs.
A) True
B) False

Question 28
Peter Gabanyic is married, has a gross weekly salary of $683.21 (all of which is taxable), and claims 4 withholding allowances. Use the tax tables to find the federal tax withholding to be deducted from his weekly salary.
A) $23
B) $24
C) $22
D) $25

Question 29
When compared to using the income tax tables to compute income tax, the tax computation worksheet is used:
A) to compute tax on taxable incomes of $100,000 or less
B) to include itemized deductions
C) to compute tax on taxable incomes of $100,000 or greater
D) to minimize taxable income

Question 30
A loan is dated June 9 and is due November 22. Using exact time, the total number of days is:
A) 167
B) 166
C) 164
D) 165

Question 31
IRS form W-4 is:
A) used for income tax preparation
B) used solely for the calculation of federal income taxes
C) used to calculate Social Security and Medicare taxes
D) used to report withheld taxes to the IRS
Question 32
Dividends are one of the costs of stock ownership.
A) True  
B) False  

Question 33
On a map, the length of a nature-center trail is 6.6 centimeters. If the scale is 3 centimeters to 43 kilometers, what is the actual length of the trail? 
A) 98.6 km  
B) 189.2 km  
C) 95.6 km  
D) 94.6 km  

Question 34
The square root of the _________ is the standard deviation. 

Question 35
Preferred stock can: 
A) not have preferential dividend rights  
B) have equal voting rights with common stock  
C) not receive dividends in arrears  
D) be cumulative  

Question 36
When an improper fraction is converted, if there is a remainder, it is a whole number. 
A) True  
B) False  

Question 37
The original amount, in a subtraction problem, is called the: 
A) difference  
B) borrowing  
C) minuend  
D) subtrahend  

Question 38
An amortization schedule shows the: 
A) increase in the loan outstanding  
B) payment broken down into principal and interest  
C) balance of interest outstanding  
D) increase in the principal  

Question 39
The most commonly used method of depreciation is the straight-line method. 
A) True  
B) False  

Question 40
The Tragord family learned that their investments decreased in value by 13% over the last year. If the investments were worth $100,000 at the beginning of the year, how much (in dollars) did they lose over the last year?
Question 41

John handles all accounts payable for his small business. He has a bill for $150, dated November 13, and plans to make a partial payment of $100 within the discount period. If the terms of the transaction were 4/10, n/30, find the amount credited to the account and find the outstanding balance if the partial payment was made November 21.
A) Credit: $104.17
   Balance: $45.83
B) Credit: $100.00
   Balance: $50.00
C) Credit: $104.00
   Balance: $46.00
D) Credit: $96.00
   Balance: $54.00

Question 42

Sinking funds accumulate money in the present to meet current financial obligations.
A) True
B) False

Question 43

The lower-of-cost-or-market (LCM) rule:
A) all of these apply to the LCM rule
B) may be used with weighted-average, FIFO, or LIFO methods
C) identifies market value as current replacement cost
D) compares market value with the cost of each item on hand, and the lower amount is used

Question 44

The term sinking fund is used when we know the sum we need to accumulate and must find the amount of periodic payments necessary to achieve this amount.
A) True
B) False

Question 45

The AES Corporation has $3,735,000 to distribute its dividends and did not distribute dividends the previous year. There are 73,000 shares of cumulative preferred stock that earn dividends at $0.68 per share and 138,000 shares of common stock. How much per share does a common stockholder receive in dividends to the nearest cent?
A) $26.35
B) $25.71
C) $26.39
D) $26.71

Question 46

Fractions should never be reduced to their lowest terms.
A) True
B) False

Question 47

The price at which a business purchases merchandise is referred to as:
A) cost
Question 48

If the buyer is to pay a transportation charge, the following freight terms would be used:
A) FOB destination
B) free on board
C) freight prepaid
D) FOB shipping point

Question 49

The safest type of endorsement is a blank endorsement.
A) True
B) False

Question 50

The law that requires that a lending institution disclose to the borrower in writing the actual rate of interest is known as the:
A) Constant Formula Disclosure Law
B) Rule of 78
C) APR Law
D) Truth in Lending Act

Question 51

Sarah bought some jewelry that originally cost $433 and was advertised at 10% off. What was the sale price of the jewelry?
A) $411.35
B) $394.03
C) $389.70
D) $43.30

Question 52

The wage bracket table is used to compute FUTA.
A) True
B) False

Question 53

The list price of a keyboard is $788. If the trade discount series offered is 10/30/20, find the net price by using the net decimal equivalent.
A) $390.85
B) $472.80
C) $315.20
D) $397.15

Question 54

A bond that sells for less than the face value is said to be selling at a premium.
A) True
B) False

Question 55

A pipe fell off a moving truck into the path of the car behind it. The driver and passenger each required $38,000 for medical care and damage to the car was $13,000. The truck driver had 25/50/10 vehicle insurance. Find the amount that the insurance company must pay and the amount that the insured must pay.
Question 56

Compare the premiums for a 10-year level term policy for $35,000 for a 45-year-old male to the same policy for a 45-year-old female. Use a non-tobacco rate.

A) The female pays a premium that is $19.95 higher.
B) The male pays a premium that is $28.35 higher.
C) The female pays a premium that is $4.55 higher.
D) The male pays a premium that is $19.95 higher.


Question 57

If a note is dated July 15, discounted on September 29, and is due on November 12, the discount period is _________ days.

A) 120
B) 76
C) 74
D) 44


Question 58

Susan has a credit card with a monthly rate of 1.4%. The account applies the unpaid balance method. The unpaid balance for her Apr billing cycle is $415.20. During the billing cycle she made purchases of $189.36 returned items for $17.08, and made a payment of $60.00. Find the new balance.

A) $533.29
B) $550.37
C) $567.45
D) $118.09


Question 59

Find the current yield of a corporation that reported a dividend of $0.89 and a closing price of $21.93. Round to the nearest tenth of a percent.

A) 24.6%
B) 0.4%
C) 4.1%
D) 2.5%


Question 60

As a rule, in compound interest problems the more compounding periods per year, the greater the amount of interest.

A) True
B) False


Question 61

The total amount of money due at the end of a loan period is referred to as the:

A) principal
B) simple interest
C) maturity value
D) compound interest


Question 62

When using the declining balance method, the amount of depreciation is calculated by the depreciation rate:

A) divided by the book value at the beginning of the year
B) plus the book value at the end of the year
C) times the book value at the beginning of the year
D) times the accumulated depreciation at the end of the year
Question 63

The category of a taxpayer, such as single or married, is called:
A) filing status
B) an itemized deduction
C) exemption
D) a taxable ranking

Question 64

88% of the Algebra I students passed the end-of-instruction test. If 220 students passed the test, there were 260 students in Algebra I.
A) True
B) False

Question 65

A circle graph would be best used in which of the following situations:
A) breaking down a family's budget
B) all are appropriate uses of a circle graph
C) a visual picture of how some whole quantity is being divided
D) demonstrating monthly expenses for a spa

Question 66

When depositing money into a checking account, a deposit slip is not needed.
A) True
B) False

Question 67

Jane borrowed $66,490 over 1.8 years. The simple interest has a rate of 8% per year. What is the maturity value of the loan?
A) $76,064.56
B) $71,529.24
C) $81,383.76
D) $75,532.64

Question 68

Present value takes an amount in the future and calculates the value needed to invest today to yield that amount.
A) True
B) False

Question 69

ACME package delivery pays employees for each package they deliver. Last week Josef delivered 20 packages. Find his gross weekly earnings if he is paid at the following differential piece rate.
1-10 packages $7.00 each
11-15 packages $8.75 each
16 or more packages $10.50 each
A) $140.00
B) $210.00
C) $157.50
D) $166.25

Question 70

A shortcut to repeated addition is multiplication.
A) True
Question 71

Find the median for the scores: 264, 414, 59, 487, 125, 283.
A) 264
B) 283
C) 273.5
D) 233.5

Question 72

The list price of a double roll of wallpaper is $32. Use the net price rate to calculate the net price of a double roll of wallpaper if the discount rate is 30%.
A) $23.40
B) $9.60
C) $22.40
D) $10.60

Question 73

When a series of equal periodic payments is put into an interest bearing account for a specific number of periods, this is known as a(n):
A) high risk investment
B) annuity
C) discounting procedure
D) compound interest plan

Question 74

Net sales at retail must be known in order to use the retail method of estimating inventory.
A) True
B) False

Question 75

An insurance policy is a contract between the insurer and the underwriter.
A) True
B) False

Question 76

The percentage can never be larger than the base.
A) True
B) False

Question 77

$653.01
A) $654
B) $653
C) $652
D) $653.10

Question 78

All depreciation methods make use of the end-of-year book value.
A) True
B) False
### Question 79
Sinking funds are based on the concept of compound interest.
- A) True
- B) False

### Question 80
The middle value in a series of numbers arranged in order from smallest to largest is the:
- A) range
- B) mean
- C) median
- D) mode

### Question 81
The federal tax withheld from a paycheck is based on:
- A) all of these are used to determine the amount of federal tax withheld
- B) the number of withholding allowances the person claims
- C) the employee’s gross earnings
- D) the employee’s tax-filing status

### Question 82
Several government agencies insure the repayment of first mortgage loans, including:
- A) both the Federal Housing Administration and the Veterans Administration
- B) Federal Housing Administration
- C) Social Security Administration
- D) Veterans Administration

### Question 83
If 60% of the 450 students at Central 9th Grade Center purchased spring photographs, how many students did not purchase the photographs? The percentage is the unknown value.
- A) True
- B) False

### Question 84
The primary difference between a check register and a check stub is that the check register is attached to the check.
- A) True
- B) False

### Question 85
When dealing with a series of markdowns, the percent of each markdown is based on the ________.

### Question 86
When there is only one compounding period in an ordinary annuity, the table factor for future value is always 1.
- A) True
- B) False

### Question 87
The length of time for which money is borrowed is called the term of a promissory note.
- A) True
- B) False
Question 88

Last week Alexa picked 357 eggplants. Find her gross weekly earnings if she is paid at the following differential piece rate.
1-200 eggplants picked $0.12 each
201-350 eggplants picked $0.16 each
351 or more eggplants picked $0.19 each
A) $42.84  
B) $49.33  
C) $67.83  
D) $43.33  

Question 89

A label printer prints 4 pages of labels in 1.5 seconds. How long will it take to print 136 pages of labels?
A) 53 sec  
B) 54 sec  
C) 55 sec  
D) 51 sec  

Question 90

Find the maturity value on a $4765 face-value note for 273 days if the discount rate is 11%.
A) $5155.60  
B) $5168.08  
C) $5158.47  
D) $5162.48  

Question 91

Estimating the answer, before calculating the exact answer, in some situations is beneficial.
A) True  
B) False  

Question 92

Megan Hughes deposits $2300 in an account that pays simple interest. When she withdraws her money 8 months later, she receives $2484.00. What rate of interest did the account pay? Round to the nearest whole percent.
A) 14% per year  
B) 12% per year  
C) 13% per year  
D) 11% per year  

Question 93

The tables for calculating income taxes are constantly changing from year to year.
A) True  
B) False  

Question 94

Dr. Bell wants to borrow $4100 for home improvements. He doesn't want to pay more than $215.25 in interest. Find the longest time for which the money may be borrowed if the interest rate is 7% per year. Round to the nearest month.
A) 8 months  
B) 12 months  
C) 7 months  
D) 9 months  

Question 95
In division, the number being divided is called the dividend.
A) True
B) False

Question 96

The face value of a promissory note is the amount due to be paid at maturity.
A) True
B) False

Question 97

1/360 of a complete circle is a:
A) degree
B) mean
C) range
D) graph

Question 98

Owner’s equity is:
A) all of these pertain to owner’s equity
B) the amount of clear ownership or owner’s rights to the properties
C) also called stockholder’s equity
D) considered a debt on a balance sheet

Question 99

Dividends in arrears means:
A) all dividends have been paid
B) common shareholders are entitled to additional dividends
C) preferred shareholders have received a dividend, but common shareholders have not
D) dividends have not been declared or paid

Question 100

A markdown is:
A) based on either cost or selling price
B) only based on selling price after a markup based on cost
C) never based on selling price
D) always based on selling price

Question 101

Round 816 to thousands.
A) 100,000
B) 1000
C) 10,000
D) 100

Question 102

Common shareholders can expect an annual dividend.
A) True
B) False

Question 103

The average unit cost is determined by dividing the total cost of goods available for sale by:
A) units in beginning balance  
B) units in ending inventory  
C) units sold  
D) units available for sale  

**Question 104**  
If you borrow money from a bank and sign a promissory note, the bank is considered to be the payee.  
A) True  
B) False  

**Question 105**  
An hourly rate or hourly wage is the amount paid for each unit produced.  
A) True  
B) False  

**Question 106**  
If more than one unknown occurs in a word problem, the same variable may be used for expressions that represent each unknown.  
A) True  
B) False  

**Question 107**  
The primary difference between comprehensive and collision coverage in an automobile insurance policy, is that comprehensive:  
A) normally involves a non-accident incident  
B) all of these apply to comprehensive coverage  
C) covers injury to a third party  
D) never involves a deductible  

**Question 108**  
Payout of a life insurance policy occurs upon the insured person's death.  
A) True  
B) False  

**Question 109**  
Payments for an ordinary annuity are made:  
A) biannually  
B) at the end of the period  
C) when the annuity begins  
D) six times  

**Question 110**  
The total amount at the end of a compound interest period is called future value.  
A) True  
B) False  

**Question 111**  
When compared to an ordinary annuity, an annuity due results in lower maturity value.  
A) True  
B) False  

**Question 112**
To add two integers with unlike signs:
A) subtract and the answer is positive
B) add and use the sign of the larger value
C) subtract and use the sign of the larger value
D) add and keep the sign of the smaller value

Question 113
A series of markups or markdowns may be used to determine the final selling price.
A) True
B) False

Question 114
What you do to one side of an equation:
A) should be offset with new variables
B) should be offset on the other side
C) will result in a change to new variables
D) you must do to the other

Question 115
Sum-of-the-Years’-digits equipment depreciates more during its last year of operation than during any other preceding year.
A) True
B) False

Question 116
$1,770,786.22
A) $1,770,786.2
B) $1,770,786
C) $1,770,787
D) $1,771,000

Question 117
When the declining-balance method is used to calculate the depreciation of an asset, the salvage value is not subtracted from the original cost to determine the amount to be depreciated.
A) True
B) False

Question 118
Different commission rates for different levels of sales is the basis for straight commission earnings.
A) True
B) False

Question 119
Alice’s age 15 years ago can be expressed as:
A) A + 15
B) 2A - 15
C) A - 15
D) 2A + 15

Question 120
The true rate of interest that you pay on a loan is called the:
A) refund fraction
Question 121

An annuity is:
A) a lump sum payment
B) a stream of payments
C) not made up of equal payments
D) never used by lotteries

Question 122

If a computer prints 6.9 lines in 3 seconds, how many lines can it print per minute?
A) 139 lines
B) 138 lines
C) 138.5 lines
D) 139.5 lines

Question 123

The net price equivalent rate is the complement of a trade discount series.
A) True
B) False

Question 124

All of the following are necessary when calculating the value of inventory by the retail method, except:
A) net sales at cost
B) beginning inventory values at cost and retail
C) net sales at retail
D) the cost of net purchases at cost and retail

Question 125

The result or answer, in a subtraction problem, is the minuend.
A) True
B) False

Question 126

The installment price of an item does not include the cash price.
A) True
B) False

Question 127

Damien Wood has a 15-year home mortgage of $69,500 at 7.00% interest and will pay $353 annual insurance premium. His annual property tax will be $1209. Find her monthly PITI payment.
A) $754.97
B) $668.79
C) $624.81
D) $774.43

Question 128

The cost of a fur coat, assuming a $311.50 markup, which is a 35% markup on selling price, is $202.48.
A) True
Question 129

Find the median for the amounts: $28, $21, $202, $186, $290, $245, $243.

A) $174
B) $186
C) $243
D) $202


Question 130

Find the annual homeowners insurance premium on a frame home located in zone 2 if the home is insured for $150,000. The owner chooses a $1500 deductible and has a credit rating of OCC.

A) $660.00
B) $615.00
C) $6600.00
D) $480.00


Question 131

The unpaid balance in an account on May 1 was $223. A purchase of $17 was made on May 7. A $20 payment was made on May 20. The interest rate per month was 1.65% per month of the average daily balance. Find the new balance at the end of May.

A) $223.78
B) $205.01
C) $225.08
D) $221.65


Question 132

An invoice for $8630, dated October 5, was received by a company with the terms 5/15 EOM. A decision was made to make a partial payment of $400 on November 2. Find the amount credited to the account and find the outstanding balance.

A) Credit: $421.05
   Balance: $8208.95
B) Credit: $380.00
   Balance: $8250.00
C) Credit: $420.00
   Balance: $8210.00
D) Credit: $400.00
   Balance: $8230.00


Question 133

When you multiply or divide fractions, you must first find the common denominator.

A) True
B) False


Question 134

This is allowed for the taxpayer, the taxpayer's spouse, and each dependent, to arrive at taxable income.

A) deduction
B) exemption
C) exclusion
D) adjustment


Question 135

Find the mode for the scores: 5, 9, 61, 3, 2, 8, 53, 1, 4, 16.

A) no mode
B) 15.6
Question 136

An invoice dated June 28 with terms of 1/10, EOM results in the end of the credit period on:
A) July 10
B) August 10
C) August 30
D) August 31

Collision insurance provides coverage for the insured's vehicle for damage caused by an automobile accident in which the driver of the insured vehicle is not at fault.
A) True
B) False

On a deposit slip, checks are normally listed:
A) in order of amount
B) alphabetically
C) separately
D) as a lump

Calculating the depreciation of an asset is an exact science that requires no estimations.
A) True
B) False

When calculating a markup based on cost, the sale price is always equal to 100%.
A) True
B) False

A smaller standard deviation indicates that the mean is a typical value in the data set.
A) True
B) False

36 + 7 × 3
A) 15
B) 360
C) 57
D) 129

When solving 7D + 4 = 60, you would first subtract 4 from both sides of the equation.
A) True
B) False
Question 144

An item is originally priced to sell for $175 and is marked down 20%. The store takes off an additional 20%, and a customer has a coupon for 10%. What is the total percent reduction for this item? Give the net decimal equivalent and total percent reduction.

A) 0.424; 57.6%
B) 0.55; 50%
C) 0.5; 55%
D) 0.576; 42.4%

Question 145

The primary mortgage on a home is called the:

A) FNMA
B) real mortgage
C) first mortgage
D) collateral

Question 146

Green Thumb Landscaping wants to build a $111,000 greenhouse in 2 years. The company sets up a sinking fund with payments made quarterly. Find the payment into this fund if the money earns 12% compounded quarterly.

A) $12,482.66
B) $9024.61
C) $52,358.49
D) $54,679.80

Question 147

The maker of a promissory note is the borrower of the money.

A) True
B) False

Question 148

When determining ordinary interest, dividing by 360 or 365 provides the fractional daily interest rate.

A) True
B) False

Question 149

Check registers are used to record checks written and deposits made.

A) True
B) False

Question 150

The bank increases your account balance when it credits your account.

A) True
B) False

Question 151

The amount of credit that should be received when a partial payment is made is calculated by dividing the partial payment by the complement of the discount.

A) True
B) False

Question 152
Investment grade bonds are characterized by:
I. a high probability of being paid with few speculative risks
II. the fact they are issued by companies in bankruptcy or in financial difficulty
III. the fact they are issued by foreign governments
A) I only
B) both I and III
C) II only
D) III only

Question 153
When interest is added to the principal amount and then interest is calculated on this new amount, the process is called:
A) single interest
B) present value
C) simple interest
D) compound interest

Question 154
BT&T charges $0.37 for the first minute and $0.26 for each additional minute for a long-distance call. How much will a 25 minute long-distance call cost?
A) $6.61
B) $6.50
C) $9.25
D) $6.87

Question 155
Depreciation and rent are frequently considered to be overhead.
A) True
B) False

Question 156
Which of the following types of coverage is typically not available under a renters insurance policy?
A) flood insurance
B) endorsement coverage for fine art
C) personal property damage
D) liability protection

Question 157
The term AB means to multiply A by B.
A) True
B) False

Question 158
The amount a bank charges if someone writes you a check, but does not have the necessary money in the bank to cover it, is termed a(n):
A) NSF charge
B) ATM charge
C) returned check fee
D) statement charge

Question 159
In solving the equation B/6 = 35, you would divide both sides of the equation by 6.
A) True
B) False
Question 160
Jeremy James is depreciating solar panels purchased for $3600. The scrap value is estimated to be $900. He will use double-declining-balance and depreciate over 6 years. What is the first year’s depreciation?
A) $900.00  
B) $600.00  
C) $450.00  
D) $1200.00

Question 161
To convert mixed numbers to improper fractions, multiply the whole number times the denominator of the fraction and add the product to the original denominator.
A) True  
B) False

Question 162
A jewelry store purchased 100 fashion watches for $3000. If the store sold 50 watches at $60, 40 watches at $54, and the rest at $30, find the total markup, the markup percent on selling price, and the equivalent markup percent on cost.
A) $2460, 45.1%, 82%  
B) $3000, 55%, 72%  
C) $5460, 100%, 182%  
D) $2460, 82%, 45.1%

Question 163
Decimals, like fractions, offer a way of writing amounts that are more than one.
A) True  
B) False

Question 164
Find the total annual insurance premium.
Territory: 1  
Credit rating: OCC  
Model class: 3  
Vehicle age: 4 years  
Liability coverage: 250/500/250  
Comprehensive deductible: $250  
Collision deductible: $1000
A) $1576.00  
B) $826.00  
C) $1095.00  
D) $1249.00

Question 165
Writing the words "For Deposit Only" along with your checking account number on the back of a check is called a:
A) qualified endorsement  
B) restricted endorsement  
C) pure endorsement  
D) simple endorsement

Question 166
The listed price for a house was $259,900. The actual sales price was $244,000. This represented a 5% decrease in price.
A) True  
B) False
Question 167
The top term in a fraction is called the numerator.
A) True
B) False

Question 168
An item selling for $1681 is marked down 10% for a special promotion. It is later marked down 40% of the sale price. Because it still hasn't been sold, it is marked down an additional 20%. What is the final selling price of the item?
A) $1611.00
B) $726.19
C) $504.30
D) $420.25

Question 169
Compound interest results in earning or paying less interest than simple interest.
A) True
B) False

Question 170
An annuity due, when compared to an ordinary annuity, results in a(n):
A) higher value
B) value twice the amount of the ordinary annuity
C) equal value
D) lower value

Question 171
When writing the verbal amount on a check, the decimal position is represented by the word "dot."
A) True
B) False

Question 172
Find the amount of money Mary and Tim need to set aside today to ensure that $16,000 will be available to use for home renovations in one year if the annual interest rate is 2.4% compounded annually.
A) $15,525.00
B) $15,625.00
C) $6666.67
D) $12,903.23

Question 173
A local dealer sells baseballs for $25.00 each. If this is a 34.7% markup on selling price, find the equivalent markup percent on cost.
A) 53.1%
B) 25.8%
C) 46.9%
D) 34.7%

Question 174
In the equation $X + 8 = 44$, $X$ is called the unknown.
A) True
B) False
Question 175
When solving percentage problems, the portion:
A) is smaller than the base when the rate is larger than 100%
B) can never be larger than the base
C) is larger than the base when the rate is less than 100%
D) can be larger than the base

Question 176
A union contract calls for a 6.9% salary raise for all employees. Determine the raise for a worker who is currently making $27,990. Round to the nearest cent if necessary.
A) $29,921.31
B) $26,058.69
C) $1931.31
D) $19,313.10

Question 177
A $217 invoice dated September 27 for copying services was received with the terms 2/10, EOM. What is the latest date the cash discount is allowed?
A) November 10
B) November 6
C) October 7
D) October 10

Question 178
The store where Anna-Marie is a salesperson offers a trade discount series of 20/15 on any clothes bought at the store. Use the single discount equivalent to calculate the trade discount for a $106 sweater.
A) $90.10
B) $68.90
C) $33.92
D) $72.08

Question 179
If an equation indicates multiplication, you would perform subtraction to isolate the variable.
A) True
B) False

Question 180
To find the standard deviation you only need to know the mode.
A) True
B) False

Question 181
Which of the following statements is true regarding a 403(b) plan?
A) it is a defined contribution plan
B) it is designed for employees of public education entities and most other nonprofit organizations.
C) all are true regarding 403(b) plans
D) it is named for sections of the Internal Revenue Service code

Question 182
The method of depreciation that takes into consideration how an asset is used is:
A) sum-of-the-years-digits
B) straight-line
<table>
<thead>
<tr>
<th>Question</th>
<th>Text</th>
</tr>
</thead>
</table>
| Question 183 | The 6th hole at the Riverwoods Golf Course is 348 yards long. How long would it be on a model with a scale of 2.5 inches to 50 yards? Round to the nearest tenth when necessary.  
A) 18.7 in.  
B) 18.3 in.  
C) 125 in.  
D) 17.4 in.  
| Question 184 | $34.186  
A) $34.20  
B) $34.00  
C) $34.19  
D) $34.18  
| Question 185 | Rounding can be used to approximate a decimal number.  
A) True  
B) False  
| Question 186 | 40 = 5C  
A) C = 34  
B) C = 7  
C) C = 8  
D) C = 35  
| Question 187 | A married person with 4 children is allowed _________ withholding allowance(s).  
A) 3  
B) 4  
C) 6  
D) 2  
| Question 188 | The sum of the values of a set divided by the number of members in that set is the:  
A) range  
B) mean  
C) median  
D) mode  
| Question 189 | A wage is normally stated as a fixed amount of money paid each year to an employee.  
A) True  
B) False  
| Question 190 | Mark's age five years ago could be written as M - 5.  
Question 191

A certain state has a gasoline excise tax rate of 23.0%. How much excise tax is paid on a gasoline purchase of $41.66 if the purchase is before excise tax is added?
A) $9.58  
B) $6.58  
C) $0.55  
D) $14.58

Question 192

Jake's Janitorial Service the company assets are cash $26,000, accounts receivable $60,000, merchandise inventory $70,000, equipment $96,000. The liabilities are accounts payable $19,000, wages payable $12,000; mortgage note payable $87,000. The owner's capital is $134,000. Find the percent of total debt compared to total assets.
A) 46.8%  
B) 61.9%  
C) 53.2%  
D) 42.1%

Question 193

In a bar graph presentation, the height or length of each bar represents a specific value.
A) True  
B) False

Question 194

You need to borrow $1500 to cover your school expenses for 10 months. After calling several places, you can choose between a money store charging 15% simple interest per year or your family who will charge you 10% per year. How much will you save by borrowing from your family?
A) $312.50  
B) $150.00  
C) $62.50  
D) $750.00

Question 195

A markup based on cost is generally used by retailers.
A) True  
B) False

Question 196

Find the trade discount on a bicycle that lists for $80.95 if a discount rate of 15% is offered. Round to the nearest cent.
A) $12.14  
B) $68.31  
C) $11.64  
D) $68.81

Question 197

Exact interest using exact time requires the following formula:
A) exact days divided by 360  
B) 30 divided by 365  
C) 30 divided by 360  
D) exact days divided by 365
Question 198
State unemployment tax is fixed with all states charging the same rate.
A) True
B) False

Question 199
Chain discounts are determined by adding the complements of the chain.
A) True
B) False

Question 200
Maturity value is equal to principal minus interest.
A) True
B) False

Question 201
100% minus the single discount rate is the:
A) list price
B) trade discount
C) complement
D) net price

Question 202
Expenses such as salaries, rent, taxes, insurance, fees, and depreciation are called:
A) non-recurring expenses
B) cost of goods sold
C) overhead
D) specific identification expenses

Question 203
All assets that have useful lives greater than one year must be depreciated.
A) True
B) False

Question 204
The Garden Shop had a cost of goods sold of $108,000, operating expenses of $49,000, and net sales of $272,000. Find the cost of goods sold percent of net sales and operating expenses percent of net sales.
A) cost of goods sold percent of net sales: 39.7%, operating expenses percent of net sales: 18.0%
B) cost of goods sold percent of net sales: 21.7%, operating expenses percent of net sales: 39.7%
C) cost of goods sold percent of net sales: 39.7%, operating expenses percent of net sales: 21.7%
D) cost of goods sold percent of net sales: 18.0%, operating expenses percent of net sales: 39.7%

Question 205
Trade discounts can be taken on freight, when freight charges are separate from merchandise on an invoice.
A) True
B) False

Question 206
If no value occurs most frequently in a group, then the mode is considered to be the middle number.
A) True
Question 207

The stockholders in a company that enjoy voting rights are:
A) preferred stockholders
B) convertible preferred stockholders
C) participating preferred stockholders
D) common stockholders

Question 208

A mountain bike has a cash price of $690.00. Eric purchases the bike by making a down payment of $69.00 and 24 payments of $38.74. Find the finance charge.
A) $69.00
B) $308.76
C) $621.00
D) $310.50

Question 209

Seven million, nine hundred sixty-seven thousand, three hundred sixteen.
A) 70,967,316
B) 7,000,967,316
C) 79,067,316
D) 7,967,316

Question 210

The present value of an annuity determines the maturity value.
A) True
B) False

Question 211

The amount that must be invested now to receive a series of payments in the future is called a sinking fund.
A) True
B) False

Question 212

Which of the following is not associated with a mortgage loan?
A) real property
B) equity
C) collateral
D) unsecured debt

Question 213

5.38
A) five and thirty-eight millionths
B) five and thirty-eight tenths
C) five and thirty-eight hundredths
D) five and thirty-eight thousandths

Question 214

Find the mode for the amounts: $1187, $14,356, $15,688, $1187, $18,843, $19,945, $16,222.
A) $18,843
B) no mode  
C) $15,688  
D) $1187  

**Question 215**

To convert from a markup based on selling price to a markup based on cost, divide the markup percent of the selling price by 1 plus the markup percent of the selling price.  
A) True  
B) False  

**Question 216**

The residual value of an asset is the actual cash received at the end of the useful life of the asset.  
A) True  
B) False  

**Question 217**

Matthew has $3300 invested in the stock market. This amounts to 10% of his total savings. How much has Matthew saved?  
A) $33,010  
B) $33,100  
C) $330,000  
D) $33,000  

**Question 218**

When reading 712.176 in verbal form, the last word read would be:  
A) thousands  
B) ten-thousandths  
C) hundredths  
D) thousandths  

**Question 219**

Neelima Zafar is married, has a gross weekly salary of $555.97 (all of which is taxable), and the number of withholding allowances she claims is 1. Use the tax tables to find the federal tax withholding to be deducted from her weekly salary.  
A) $33  
B) $31  
C) $30  
D) $34  

**Question 220**

Points are best defined as:  
A) it may allow the borrower to "buy down" the interest rate  
B) all of these are appropriate examples of points  
C) a one-time payment of a percentage of the loan  
D) one point is 1%, two points 2%, etc.  

**Question 221**

The amount the maker of a discounted note receives is called the maturity value.  
A) True  
B) False  

**Question 222**

The _________ is a form kept with the checks and is used to record checks written and deposits made.
Question 223

Taxable income is defined as:
A) adjusted gross income minus net income
B) adjusted gross income plus the standard deduction
C) adjusted gross income minus exemptions and deductions
D) adjusted gross income plus exemptions and deductions

Question 224

Markdowns are typically used:
A) when merchandise is priced too high to begin with
B) when pricing perishables
C) all of these are appropriate uses of markdowns
D) when merchandise goes out of style, or is seasonal

Question 225

Annie Walker owns a small advertising company that has a market value of $2,146,000. If the advertising company is assessed at 47% of market value, what is the assessed value of the property?
A) $504,310
B) $10,086,200
C) $1,088,620
D) $1,137,380

Question 226

Gina is buying a used car that has an advertised price of $3500. She is buying the car on credit and must make a down payment of $900 and 30 monthly payments of $106. What is the total cost of the car?
A) $3606
B) $4186
C) $4080
D) $3974

Question 227

It is not necessary to list checks and cash amounts separately on a deposit slip.
A) True
B) False

Question 228

Round 7473 to thousands.
A) 7000
B) 6900
C) 8000
D) 7100

Question 229

A sinking fund:
A) provides the funds to meet a future obligation
B) requires a lump sum payment at the beginning
C) does not compound interest
D) is not a form of an annuity
Question 230
Federal income tax is usually the smallest deduction from an employee's paycheck.
A) True
B) False

Question 231
Chang bought a bumper marked up 17.1% based on selling price at a local auto repair shop. If the markup is $23.08, find the selling price and the cost.
A) Selling price = $134.97
   Cost = $158.05
B) Selling price = $158.05
   Cost = $134.97
C) Selling price = $111.89
   Cost = $134.97
D) Selling price = $134.97
   Cost = $111.89

Question 232
The Truth in Lending Act regulates interest rates.
A) True
B) False

Question 233
With an annuity due no interest is paid in the first period.
A) True
B) False

Question 234
The first step in rounding is to identify the digit to be rounded.
A) True
B) False

Question 235
Stephen assembles and finishes wood products. He is paid $1.90 for a shelf, $0.96 for a picture frame, and $2.50 for a planter. One week he completed 45 shelves, 76 picture frames, and 39 planters. Find his gross earnings.
A) $255.96
B) $294.34
C) $857.60
D) $259.56

Question 236
Bar graphs make use of intervals to clarify the illustration of data.
A) True
B) False

Question 237
A sinking fund payment is an ordinary annuity payment.
A) True
B) False
Question 238

8 + 16 ÷ 4 × 5 - 7
A) 73
B) 23
C) 35
D) 21

Question 239

The following test scores were recorded for a student: 97, 89, 85, 85, 97, 99. Find the mean, median, and mode.
A) mean: 93 median: 92 mode: 97
B) mean: 92 median: 85 mode: 99
C) mean: 93 median: 93 mode: 85
D) mean: 92 median: 93 mode: 85 and 97

Question 240

If a product is marked up, the new price is called the reduced price.
A) True
B) False

Question 241

$15,000 at 1% compounded annually for 3 years
A) $15,301.50
B) $15,454.50
C) $15,300.00
D) $15,450.00

Question 242

In arriving at a markup on merchandise, most _________ use the markup on cost method.
A) consumers
B) wholesalers
C) retailers
D) manufacturers

Question 243

Most products follow the route of going from a manufacturer to a:
A) retailer
B) consumer
C) merchant
D) wholesaler

Question 244

The future value minus the principal is equal to the compound interest.
A) True
B) False

Question 245

A promissory note typically contains which of the following:
A) the identity of the maker and the payee
B) all of these are contained in the promissory note
C) the maturity date
D) the face value of the note, or the amount borrowed
Question 246

When calculating the ending inventory at cost using the retail method, you multiply the cost ratio by:
A) the net sales for the month
B) the beginning inventory at retail
C) the ending inventory at retail
D) the cost of goods available for sale

Question 247

The ten thousands position is to the right of the hundreds position.
A) True
B) False

Question 248

When a fruit and vegetable stand marks up produce, the selling price assumes no spoilage will occur.
A) True
B) False

Question 249

A large (wide) range indicates that the values in a group are similar in value to one another.
A) True
B) False

Question 250

The monthly payments are calculated by adding the finance charge and the amount financed and dividing by the number of payments in the loan.
A) True
B) False

Question 251

If markup is based on selling price, the selling price times 1 minus the markup percent on the selling price will equal the cost.
A) True
B) False

Question 252

The beneficiary pays the insurance premiums to the underwriter.
A) True
B) False

Question 253

A cashier has a total of 139 bills, made up of fives and tens. The total value of the money is $935. How many ten-dollar bills does the cashier have?
A) 24
B) 48
C) 72
D) 91

Question 254

The equation X/Y = 7 means X divided by Y equals 7.
A) True
B) False
Question 255

The _________ can refer to the partial amount or portion of the base.
A) percentage
B) rate
C) equation
D) base

Question 256

The original cost of an asset minus the accumulated depreciation is equal to the book value of the asset.
A) True
B) False

Question 257

Bank loans and car loans are examples of open-end loans.
A) True
B) False

Question 258

The median will distort the average of a set of numbers that has one or more extreme values.
A) True
B) False

Question 259

It is not necessary to align the decimals when you add.
A) True
B) False

Question 260

Derek Daniels earns $22,312.15 monthly, is married, and claims 3 withholding allowances. Find his net earnings for this pay period. FICA tax is 4.2% and Medicare tax is 1.45%.
A) $21,051.51
B) $25,953.76
C) $17,409.90
D) $16,149.26

Question 261

McCormack Realty Company had an annual loss of $1,896. In order to find the average loss per month, the answer would be:
A) negative, and a result of division
B) positive, and a result of multiplication
C) negative, and a result of multiplication
D) positive, and a result of division

Question 262

$90.29800
A) $90.299
B) $90.30
C) $90.31
D) $90.29

Question 263
Nancy Pedro will have a monthly interest and principal payment of $1861.52. Her monthly real estate taxes will be $68.99 and her monthly home owner’s payments will be $92.59. If her gross monthly income is $6851, find the housing ratio. Round to the nearest percent.

A) 29%
B) 27%
C) 30%
D) 28%


Question 264

To find principal, you would use the formula:

A) \( \frac{P}{RT} \)
B) \( \frac{I}{PR} \)
C) \( \frac{I}{RT} \)
D) \( \frac{I}{PT} \)


Question 265

Outstanding checks always result in overdrafts.

A) True
B) False


Question 266

When dividing by a decimal, you should first change the divisor into a:

A) proper fraction
B) mixed number
C) whole number
D) improper fraction


Question 267

A whole number is understood to have a decimal point at the _________.


Question 268

The distance from John's house to Ted's is 0.5 mile. Write the distance in words.

A) five thousandths of a mile
B) five ten-thousandths of a mile
C) five hundredths of a mile
D) five tenths of a mile


Question 269

The monetary system of the United States is based on:

A) whole numbers
B) decimals
C) fractions
D) Roman numerals


Question 270

A check endorsed "For Deposit Only" can only be cashed by the person who endorsed the check.

A) True
B) False


Question 271

Premiums are the payments that an insurer makes to pay for the cost of an insurance policy.

A) True
B) False

Question 272

The ten thousandths position is to the immediate right of the hundredths position.
A) True
B) False

Question 273

A company may use different methods of depreciation over the useful life of an item.
A) True
B) False

Question 274

James Page works in a local music store where he sells guitars for $196.60 each. If he maintains a markup of 50.4% on selling price, what is the cost of a guitar to James?
A) $295.69
B) $294.11
C) $97.51
D) $99.09

Question 275

Find the amount financed on a TV with a cash price $430.00 and a down payment of $86.00.
A) $86.00
B) $429.80
C) $344.00
D) $430.00

Question 276

Find the amount of decrease if 600 is decreased by 10%.
A) 60
B) 0.6
C) 6
D) 600

Question 277

When an equation contains addition, the variable can be isolated by performing the opposite process (subtraction).
A) True
B) False

Question 278

Erin earns a weekly salary of $640 and is nonexempt from FLSA. Last week she worked 47 hours. What are her gross earnings for the week?
A) $808.00
B) $856.00
C) $858.50
D) $757.50

Question 279

The complement of 25 percent is 75 percent or 0.75 in decimal form.
A) True
B) False
Question 280

The Jewelry Store priced its entire stock of sterling silver at $1577. The original price was $2130. Find the percent of markdown on the original price.

A) 135%
B) 35%
C) 74%
D) 26%


Question 281

A(n) _________ is the process of making the checkbook and the bank statement agree, to show the same balance.

A) comparison
B) reconciliation
C) agreement
D) debt factor


Question 282

The cost of goods sold is equal to the cost of goods available for sale plus the cost of ending inventory.

A) True
B) False


Question 283

When comparing the same period of time and interest rate used to compute simple interest, compound interest results in:

A) all of these occur using compound interest
B) increased yield for the investor
C) higher interest charges to the investor
D) an increased maturity date


Question 284

The cost of a digital camera is $152. For a special year-end sale the price is marked down 20%. Find the selling price of the camera.

A) $126.67
B) $182.40
C) $121.60
D) $30.40


Question 285

If a bond sells for less than its face value, it is said to have sold at a:

A) discount
B) loss
C) premium
D) junk bond


Question 286

Supply and demand influence the price of a stock.

A) True
B) False


Question 287

When using square feet to allocate overhead, the floor space of the department is the denominator of the fraction and the total floor space is the numerator.

A) True
B) False

Question 288

An invoice dated September 30 in the amount of $75,000.00 was received by Info Systems on October 5. Cash discount on the invoice was 2/10, 1/15, N/30. On October 5 Info Systems mailed a check in the amount of $15,000.00 as a partial payment on the invoice. The outstanding balance owed after the payment was:

A) $1,500.00  
B) $60,000.00  
C) $59,693.88  
D) $15,306.12  

Question 289

Most products go from the manufacturer to the retailer by way of the consumer.

A) True  
B) False  

Question 290

To find the total cost of a purchase, multiply the amount of each payment by the number of payments in the loan and then add the:

A) down payment  
B) installment payment  
C) amount financed  
D) finance charge  

Question 291

Present value does not:

A) find the present dollar amount  
B) know the present dollar amount  
C) know the future value  
D) use the tables  

Question 292

Find the installment price of a table bought on the installment plan with a down payment of $30 and 6 payments of $51.12.

A) $30  
B) $366.72  
C) $306.72  
D) $336.72  

Question 293

When converting decimals to fractions, the denominator:

I. is found by writing 1 followed by as many zeros as there are places to the right of the decimal point  
II. is the same as the numerator  
A) II only  
B) both I and II  
C) neither I or II  
D) I only  

Question 294

Another term for suggested retail price is the:

A) neither catalog price or list price  
B) catalog price  
C) both catalog price and list price  
D) list price  
Question 295
The amount of Social Security tax and Medicare tax withheld from a paycheck is not influenced by the number of dependents claimed by the employee.
A) True
B) False

Question 296
Tech Support Associates accepts a $5480, 8%, 210-day note for service equipment. The note is dated Sep 5. On Oct 21 the firm discounts the note at a bank, at a 10% discount rate. Find the proceeds.
A) $5474.44
B) $5420.97
C) $5472.85
D) $5526.70

Question 297
Eileen purchased a sofa for $540 and financed it for 17 months. The total finance charge was $85.48. Find the annual percentage rate.
A) 20.50%
B) 20.75%
C) 20.25%
D) 20.00%

Question 298
Current yield is the ratio of the ______ per share of stock to the ______:
A) percentage change, year-to-date change
B) annual dividend, 52 weeks high
C) annual dividend, closing price per share
D) net change, year-to-date change

Question 299
John earns a gross biweekly income of $1505.34. How much Social Security tax should be withheld? How much Medicare tax should be withheld? Assume a 4.2% FICA rate and a 1.45% Medicare rate. Round to the nearest cent.
A) Social Security tax = $63.22
Medicare tax = $2.18
B) Social Security tax = $64.22
Medicare tax = $2.83
C) Social Security tax = $63.22
Medicare tax = $21.83
D) Social Security tax = $632.24
Medicare tax = $218.27

Question 300
How much money is saved at a $57.58 discount price rather than a $90.01 list price?
A) $32.43
B) $32.53
C) $33.53
D) $33.43

Question 301
A driver injures a bicycle rider. The driver has 15/30/15 insurance. The injured rider has $18,000 in medical expenses. Find the amount that the insurance company must pay and the amount that the insured must pay.
A) $15,000, $3,000
B) $18,000, $0
C) $30,000, $0
<table>
<thead>
<tr>
<th>Question 302</th>
<th>The amount an asset decreases in value from its original cost is called its depreciation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td></td>
</tr>
<tr>
<td>B) False</td>
<td></td>
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<table>
<thead>
<tr>
<th>Question 303</th>
<th>The division of a fraction also involves the operation of ________.</th>
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<table>
<thead>
<tr>
<th>Question 304</th>
<th>A credit memorandum, when received from the bank, should be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) ignored</td>
<td></td>
</tr>
<tr>
<td>B) added to the bank balance</td>
<td></td>
</tr>
<tr>
<td>C) added to the checkbook balance</td>
<td></td>
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<tr>
<td>D) subtracted from the checkbook balance</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 305</th>
<th>Payments into a sinking fund are always made when?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) at the beginning of each period</td>
<td></td>
</tr>
<tr>
<td>B) at the end of each period</td>
<td></td>
</tr>
<tr>
<td>C) lump sum at the beginning of the sinking fund</td>
<td></td>
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<tr>
<td>D) when the funds are available</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 306</th>
<th>There is only one method used to solve all word problems.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td></td>
</tr>
<tr>
<td>B) False</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 307</th>
<th>The &quot;marked price&quot; is the price before the sales tax is added.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td></td>
</tr>
<tr>
<td>B) False</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 308</th>
<th>When compared to a frequency distribution, a relative frequency distribution represents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) the number of tallies in the largest class interval.</td>
<td></td>
</tr>
<tr>
<td>B) the percent that each class interval is of the mean.</td>
<td></td>
</tr>
<tr>
<td>C) the total number of tallies in all class intervals.</td>
<td></td>
</tr>
<tr>
<td>D) the percent that each class interval is of the whole.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 309</th>
<th>Receiving a paycheck biweekly means that there are two pay periods per month or 24 in one year.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td></td>
</tr>
<tr>
<td>B) False</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 310</th>
<th>An item sells for $524.00 and is reduced to sell for $440.16. Find the markdown amount and the rate of markdown.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Markdown amount = $83.84</td>
<td></td>
</tr>
<tr>
<td>Rate of markdown = 16%</td>
<td></td>
</tr>
</tbody>
</table>
Question 311

The difference between the list price and the trade discount is the amount the consumer pays, called the net price.

A) True
B) False

Question 312

What-A-Pane Inc. sells windows for $187.72 each after a markup of $67.46. Find the cost of a window and the markup as a percent of selling price.

A) Cost = $255.18
Rate of markup based on selling price = 56.1%
B) Cost = $120.26
Rate of markup based on selling price = 35.9%
C) Cost = $255.18
Rate of markup based on selling price = 73.6%
D) Cost = $120.26
Rate of markup based on selling price = 56.1%

Question 313

November is a 31 day month.

A) True
B) False

Question 314

A vertical analysis of a balance sheet shows the ratio of each item on the balance sheet to the:

A) current assets
B) current liabilities
C) total assets
D) owner's equity

Question 315

Barry Newman's savings account has a balance of $4088. After 25 years, what will the amount of interest be at 6% compounded annually?

A) $13,462.16
B) $13,448.16
C) $13,457.16
D) $2452.80

Question 316

When preparing a vertical analysis of an income statement, the "base" is gross sales.

A) True
B) False

Question 317

43% of what number is 60?

A) rate (%) = unknown number
base (of) = 60
portion (is) = 43%
B) rate (%) = 43%
Question 318

John purchased a GPS system for $840 and financed it for 15 months. The total finance charge was $95.26. Find the annual percentage rate.
A) 16.75%
B) 16.50%
C) 16.25%
D) 16.00%

Question 319

A microwave oven sells for $240.00. The markup is 35% on cost. The cost of the oven is $280.00.
A) True
B) False

Question 320

Cost is equal to 100% when markup is based on the cost.
A) True
B) False

Question 321

Which of the following statements is correct?
A) a prime number can be divided only by 1 and itself
B) none of these
C) prime numbers are also known as least common denominators
D) prime numbers are the reciprocals of fractions

Question 322

A home with a replacement value of $318,000 is insured in a policy that contains an 80% coinsurance clause. The face value of the policy is $286,000. If a fire causes damage valued at $3500, find the amount of compensation to the owner by the insurance company.
A) $3938
B) $2800
C) $3111
D) $3500

Question 323

The mean is a form of measurement for central tendency.
A) True
B) False

Question 324

The pharmacist mixed 8.87 grams of one drug with 2.069 grams of another drug. What was the weight of the mixture?
A) 17.74 g
B) 12.039 g
C) 10.939 g
D) 4.138 g
| Question 325 | The person who signs a check on the back is the maker.  
A) True  
B) False  
| --- | --- |
| Question 326 | Inventory represents the value of merchandise that is sold on a certain date or during a certain period.  
A) True  
B) False  
| Question 327 | In the case of bankruptcy, preferred stockholders receive their dividends before common stockholders receive theirs.  
A) True  
B) False  
| Question 328 | To convert mixed numbers to improper fractions you would:  
A) multiply the whole number times the denominator of the fraction and add the product to the original numerator.  
B) multiply the whole number times the numerator of the fraction and add the product to the original denominator.  
C) none of these.  
D) multiply the whole number times the denominator of the fraction and add the whole number to the denominator.  
| Question 329 | When a partial payment is made during the discount period, the amount credited is:  
A) equal to the partial payment divided by the cash discount rate  
B) equal to the partial payment divided by the complement of the cash discount rate  
C) equal to the partial payment  
D) subject to interest charges  
| Question 330 | There are two methods, the wage bracket tables and the percentage, for calculating the amount of federal income tax.  
A) True  
B) False  
| Question 331 | The due date of a loan dated March 5 and due in 95 days (exact time) is June 8.  
A) True  
B) False  
| Question 332 | $321.25  
A) $321  
B) $322  
C) $321.35  
D) $320  
| Question 333 | The use of annual compounding of interest is found more frequently than daily compounding.  
A) True  
B) False  
Answer: |

Question 334

The gross profit inventory method:
A) is not used for preparing annual financial statements or calculating income taxes
B) all of these pertain to the gross profit inventory method
C) assumes the company maintains approximately the same gross profit each year
D) is used for interim reports or insurance claims

Question 335

Jackie Rambier purchased a home for $106,000. Oakwood Mortgage Company approved her loan application for a 22-year fixed-rate loan at 6.25%. Jackie agreed to pay 20% of the purchase price as a down payment. How much interest would she have saved if she made the same loan with the same down payment for 12 years?

A) $32,135.81
B) $37,264.51
C) $44,367.36
D) $35,493.89

Question 336

The greatest common divisor can be zero.
A) True
B) False

Question 337

Reducing before multiplying:
A) is an alternative method for multiplying fractions
B) raises fractions to their highest terms
C) results in multiplying a number evenly times the top and bottom of a fraction or fractions
D) has a definite set of rules

Question 338

In a division problem, the answer is said to consist of a divisor and a remainder when the result does not come out even.
A) True
B) False

Question 339

To find the finance charge using the average daily balance method, a month is always considered to have 30 days.
A) True
B) False

Question 340

A balance sheet shows the worth or financial condition of a business:
I. as of a certain date
II. over a period of time
III. only when the business is having financial difficulty
A) II only
B) I only
C) III only
D) both II and III

Question 341

The formula for calculating a single discount equivalent is:
Question 342

With the declining-balance method, the book value of an asset should never be less than the salvage value.
A) True
B) False

Question 343

Ellen earns a salary of $15,964 annually and is paid monthly. How much does she receive in monthly income?
A) $1330.33
B) $1596.40
C) $665.17
D) $307.00

Question 344

Find the exact time of a loan made on April 7 and due on February 9.
A) 308 days
B) 309 days
C) 307 days
D) 260 days

Question 345

Twin City Freezer accepts a note with face value of $5150 on June 4. The note is for 270 days at 10% interest. The note is discounted on July 23 at 12%. Find the proceeds.
A) $5063.48
B) $5126.57
C) $5196.39
D) $5128.41

Question 346

The Fair Labor Standards Act of 1938 set the standard work week at 40 hours.
A) True
B) False

Question 347

A big-box store advertised dehumidifiers for 30% off the MSRP. The sale price is $139.00. The original price was $198.57.
A) True
B) False

Question 348

James Company reported a quarterly income before tax of negative seven million, five hundred dollars and nineteen cents. Write the digits of the reported gross margin.
A) $7,000,519.00
B) -$7500.19
C) -$7,000,500.19
D) -$7519.00

Question 349
When a manufacturer offers a product for sale to a retailer, the amount deducted from the list price is called the:

A) complement
B) trade discount
C) percent
D) net price


**Question 350**

Cash discounts are:

A) always determined by the list price
B) calculated on returned goods
C) never calculated on freight or sales tax
D) a reduction in the amount of the freight charges


**Question 351**

Phillip Upton receives a $2,450.00 invoice with credit terms of 3/20, 1/30, N/40. A 5 3/4\% penalty is charged for a late payment. If the invoice is dated May 18 and paid June 27, the amount due is $2,590.88.

A) True
B) False


**Question 352**

Four billion, two hundred forty-nine million, four hundred thirty-one thousand, eleven.

A) 40,249,431,011
B) 4,249,431,110
C) 4,249,431,011
D) 4,249,431,000,011


**Question 353**

When compounding interest, a common mistake is to add the interest to the:

A) previous principal
B) original principal
C) future value
D) present value


**Question 354**

Which of the following statements is not correct?
A) The Truth in Lending Act regulates interest rates.
B) There is more than one formula to approximate a loan’s APR.
C) The Truth in Lending Act was passed in 1969.
D) APR is the true effective annual interest rate charged by lenders.


**Question 355**

Round 75,004 to thousands.

A) 76,000
B) 75,010
C) 75,100
D) 75,000


**Question 356**

On April 1, the unpaid balance in an account was $174. A payment of $70 was made on April 8. On April 26 a $26 purchase was made. The interest rate per month was 1.75\% per month of the average daily balance. Find the new balance at the end of April.

A) $176.11
B) $131.75
C) $106.11
<table>
<thead>
<tr>
<th>Question 357</th>
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</thead>
<tbody>
<tr>
<td>This type of vehicle insurance protection covers the insured's vehicle against damage resulting from fire, theft, vandalism, etc.</td>
</tr>
<tr>
<td>A) collision insurance</td>
</tr>
<tr>
<td>B) liability insurance</td>
</tr>
<tr>
<td>C) coinsurance</td>
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<tr>
<td>D) comprehensive insurance</td>
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<thead>
<tr>
<th>Question 358</th>
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<tbody>
<tr>
<td>A fraction with a numerator that is less than the denominator is called an improper fraction.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Question 359</th>
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<tbody>
<tr>
<td>Twice Kayla's age can be represented by 4K.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Question 360</th>
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<tbody>
<tr>
<td>The units-of-production method of depreciation:</td>
</tr>
<tr>
<td>I. is based on the expected number of units produced by an asset</td>
</tr>
<tr>
<td>II. ignores salvage value</td>
</tr>
<tr>
<td>III. is based each time on miles driven and hours of operation</td>
</tr>
<tr>
<td>A) II only</td>
</tr>
<tr>
<td>B) III only</td>
</tr>
<tr>
<td>C) both II and III</td>
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<tr>
<td>D) I only</td>
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</tbody>
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<thead>
<tr>
<th>Question 361</th>
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<tbody>
<tr>
<td>When the first-in, first-out inventory method is used, inventory values are based on the average cost of each inventory item.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
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<table>
<thead>
<tr>
<th>Question 362</th>
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<tbody>
<tr>
<td>The amount of money needed to be invested in the future in order to receive a stream of payments in the present is called the present value of an annuity due.</td>
</tr>
<tr>
<td>A) True</td>
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<tr>
<td>B) False</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 363</th>
</tr>
</thead>
<tbody>
<tr>
<td>A listing of all transactions by the bank that took place in a customer's account during the month is called a:</td>
</tr>
<tr>
<td>A) check register</td>
</tr>
<tr>
<td>B) check book</td>
</tr>
<tr>
<td>C) bank statement</td>
</tr>
<tr>
<td>D) bank reconciliation</td>
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<thead>
<tr>
<th>Question 364</th>
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<tbody>
<tr>
<td>If you borrow money from a bank and the bank collects its fee at the time the loan is made, the fee is called a:</td>
</tr>
<tr>
<td>A) rate</td>
</tr>
<tr>
<td>B) term</td>
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</tbody>
</table>
C) maturity value
D) bank discount

Question 365
A low inventory turnover rate may indicate:
A) product that is highly desirable
B) customer dissatisfaction
C) insufficient inventory
D) low prices in relation to the competition

Question 366
The _________ is the sum of the number of months remaining on a loan divided by the sum of the total number of months of the loan.
A) constant ratio
B) Rule of 78
C) refund fraction
D) finance charge

Question 367
When making a series of calculations, you should round:
A) only when using decimals
B) only the result of the final calculation
C) round after each calculation in the series
D) only when using whole numbers

Question 368
Adding the minuend and the subtrahend, in a subtraction problem, is one way of proving your answer.
A) True
B) False

Question 369
The assessed valuation of property is equal to the assessment rate:
A) times the market value
B) divided by the market rate
C) times the book value
D) plus the market value

Question 370
An annuity with payments made at the end of each period is called an ordinary annuity.
A) True
B) False

Question 371
The value of an annuity is similar to the maturity value in a compounding transaction.
A) True
B) False

Question 372
A visual aid that is divided into two or more sections to illustrate how partial data relates to the whole is a:
A) line graph
B) range graph
C) bar graph
D) circle graph  

**Question 373**

Real estate or real property is defined as:
A) land  
B) any type of structure  
C) all of these are appropriate as real estate or real property  
D) improvements, such as water and sewer systems  

**Question 374**

The bottom term in a fraction is the divisor or the number that divides into the numerator.  
A) True  
B) False  

**Question 375**

The reduction in the amount due on an invoice for paying within a certain period of time is called a:  
A) net price  
B) cash discount  
C) trade discount  
D) list price  

**Question 376**

The formula to calculate the inventory turnover rate at retail is:  
A) net sales divided by average inventory at retail  
B) the cost of goods sold divided by the average inventory at cost  
C) the cost of goods sold divided by the average inventory at retail  
D) the cost of goods sold divided by net sales  

**Question 377**

The dividends on preferred stock:  
A) normally vary with company profits  
B) are not taxable  
C) are usually higher than common stock dividends  
D) are normally paid at a fixed rate  

**Question 378**

Find the interest refund on a 51 month loan with interest of $5474 if the loan is paid in full with 8 months remaining.  
A) $154.56  
B) $115.59  
C) $148.62  
D) $120.21  

**Question 379**

In a word problem, the verb normally stands for the equal sign.  
A) True  
B) False  

**Question 380**

MACRS is not used for tax reporting purposes.  
A) True  
B) False
Question 381

Known quantities in an equation are represented by letters.
A) True
B) False

Question 382

To find the selling price of an item, the following formula can be used:
A) selling price equals cost minus margin
B) cost equals selling price minus margin
C) selling price equals cost plus margin
D) margin equals selling price minus cost

Question 383

On January 1, the unpaid balance in an account was $100. A payment of $25 was made on January 26. The interest rate per month was 1.65% per month of the average daily balance. Find the finance charge for the month of January.
A) $1.57
B) $1.24
C) $1.65
D) $2.89

Question 384

Jack borrowed $1240 from his brother. Jack's brother wants 12 monthly payments of $120 to repay the loan. How much extra is Jack's brother charging for the loan?
A) $80
B) $1440
C) $1540
D) $200

Question 385

When selecting a method of depreciation, a major factor is how the asset is going to be used in the business.
A) True
B) False

Question 386

Term insurance is the most expensive type of life insurance.
A) True
B) False

Question 387

The original amount of a loan minus the compound total is the future value.
A) True
B) False

Question 388

An income statement is a financial statement of a business:
A) over a period of time
B) as of a certain date
C) both over a period of time and only when the business is showing a profit
D) only when the business is showing a profit
Question 389
Stormy received a 5.4% pay increase. Her original hourly wage was $8.19. Her new hourly wage is $8.65.
A) True
B) False

Question 390
Hassan Katragadda is married, has a gross weekly salary of $738.74 (all of which is taxable), and claims 5 withholding allowances. Use the tax tables to find the federal tax withholding to be deducted from his weekly salary.
A) $21
B) $29
C) $19
D) $20

Question 391
Cost = $5.22; Selling price = $10.35. Find the markup.
A) Markup: $5.22
B) Markup: $15.57
C) Markup: $5.13
D) Markup: $10.35

Question 392
The first step in solving the equation 2B - 5 = 3 is to isolate 2B.
A) True
B) False

Question 393
The median is a better indicator of the average than the mean.
A) True
B) False

Question 394
If you were considering purchasing an average-priced home in a new community with home values ranging from $100,000 - $1,000,000, which of the following would give the most realistic picture of how much that home is likely to cost?
A) mean
B) class interval
C) median and mode
D) grouped data

Question 395
A vertical analysis of an income statement shows the ratio of each item on the income statement to the:
A) owner's equity
B) total sales
C) net sales
D) total income

Question 396
Julie Stone receives an invoice in the amount of $29.50 dated August 8. The credit terms are 2/10, ROG. If the merchandise is received on August 23 and the invoice is paid on September 2, the amount due is $29.50.
A) True
B) False
**Question 397**

In division, the number doing the dividing is called the divisor.
A) True  
B) False


**Question 398**

Which of the following is not classified as 10-year property under the modified accelerated cost-recovery system (MACRS)?
A) vessels, barges, tugs and similar water transportation equipment  
B) automobiles, taxis, buses, and trucks  
C) any tree or vine bearing fruits or nuts  
D) single purpose agricultural or horticulture structures


**Question 399**

The monthly net gains sales for a new sporting goods store were: $6243, $3397, $2195, $7970, $8824, $1321, $3644, $8543, $4279, $4861. Find the median.
A) $5127.70  
B) $4279.00  
C) $4570.00  
D) $5697.44


**Question 400**

The actual cost can be calculated, if the selling price and the percent markup on selling price is known.
A) True  
B) False


**Question 401**

After receiving a drop in price of 12.5% on its bulk order of printer cartridges, John's Office Supply pays $6825. What was the original price of the order?
A) $5972  
B) $7800  
C) $7678  
D) $6313


**Question 402**

Points represent:
A) an additional cost of financing  
B) monthly payments  
C) a 3 percent up front payment  
D) 2 percent of the amount borrowed


**Question 403**

Which of the following is not an appropriate qualifying ratio?
A) housing ratio: monthly housing expenses (PITI) divided by the gross monthly income  
B) loan-to-value ratio: the amount mortgaged divided by the appraised value of the property  
C) debt-to-income ratio: fixed monthly expenses divided by the gross monthly income  
D) quick-income ratio: the amount of weekly pay divided by the gross monthly income


**Question 404**

Multiplying 137 by 1,000 means adding one zero to the number being multiplied.
A) True  
B) False
Question 405

A graph shows one or more lists of numerical information grouped in some meaningful form.
A) True
B) False

Question 406

The number of days a bank holds a discounted note is called the:
A) term
B) discount period
C) time
D) none of these

Question 407

If the digit to the right of the number that you are rounding is 5 or less round the digit up.
A) True
B) False

Question 408

When calculating ordinary interest, the denominator of the time fraction will be:
A) exact days per month
B) 360
C) 365
D) 30 days per month

Question 409

Find the amount of increase if 200 is increased by 5%.
A) 100
B) 10
C) 0.1
D) 1

Question 410

The coinsurance clause in a homeowners insurance policy requires a home to be insured for ______ of its ______ for full compensation for a loss.
A) 80%, replacement cost
B) 80%, market value
C) 75%, replacement cost
D) 100%, market value

Question 411

Dividends in arrears must first be paid:
A) for the prior year to cumulative preferred stockholders
B) for the prior year to common stockholders
C) for the current year to common stockholders
D) for the current year to cumulative preferred stockholders

Question 412

In an equation, unknown quantities are represented by ______ and known quantities by ______.
A) numbers, integers
B) letters, numbers
Question 413

The total amount of depreciation taken as of a certain point in time is called the book value.
A) True
B) False

Question 414

The percent of each markdown in a series of markdowns is based on the:
A) previous selling price
B) gross margin
C) marked up selling price
D) original selling price

Question 415

An entomologist pays Fred $0.20 for each butterfly he brings in. Find Paul's gross earnings if he brings in 91 butterflies.
A) $91.20
B) $19.80
C) $16.60
D) $18.20

Question 416

Find 30% of 1400.
A) 420
B) 42,000
C) 4200
D) 42

Question 417

A number is increased by 18% to 873. Find the original amount. Round to the nearest hundredth.
A) 739.83
B) 873.00
C) 839.83
D) 1030.14

Question 418

Sales at Andrea's Formal Wear Shop were $1147 this week. This is $112 less than the sales last week. What were last week's sales?
A) $1270
B) $1035
C) $1248
D) $1259

Question 419

Selling price = $92.19; Rate or markup based on cost = 89%. Find the cost and markup.
A) Cost: $43.41
   Markup: $48.78
B) Cost: $82.05
   Markup: $10.14
C) Cost: $10.14
   Markup: $82.05
D) Cost: $48.78
   Markup: $43.41
Question 420
Vincent earns $12.72 per hour with time and a half for overtime and worked 54.5 hours during a recent week. Find his gross pay for the week?
A) $785.46
B) $276.66
C) $206.19
D) $693.24

Question 421
Which term best describes the seller paying a freight charge?
A) prepay and add
B) FOB shipping point
C) free on board
D) FOB destination

Question 422
An item is originally priced to sell for $55 and is marked down 20%. A customer has a coupon for an additional 40%. What is the total percent reduction for this item? Give the net decimal equivalent and total percent reduction.
A) 0.48; 52%
B) 0.4; 60%
C) 0.52; 48%
D) 0.6; 40%

Question 423
The amount that must be invested today to yield a desired sum in the future is called:
A) compound total
B) future value
C) compound interest
D) present value

Question 424
A horizontal analysis of a balance sheet:
A) records the amount of increase or decrease as a dollar figure
B) all of these apply to a horizontal analysis of a balance sheet
C) compares the same item for two different years
D) records the amount of increase or decrease as a percent

Question 425
A home with a replacement value of $343,000 is insured in a policy that contains an 80% coinsurance clause. The face value of the policy is $240,000. If a fire causes damage valued at $2000, find the amount of compensation to the owner by the insurance company.
A) $2000
B) $1600
C) $2286
D) $1749

Question 426
"Outstanding deposits" are those deposits that appear in your records, but do not appear on your bank statement.
A) True
B) False

Question 427
A markup rate of 35% based on sales price converts to a 45% markup rate based on cost.
A) True
B) False

Question 428

Units of production is a method that allows for the largest amount of depreciation possible during the first two years of an asset's useful life.
A) True
B) False

Question 429

The reverse of multiplication is division.
A) True
B) False

Question 430

When you add or subtract fractions, you must first change the fractions so that they have the same _________.

Question 431

Go Green Recycling Center pays local children $0.40 for each pound of aluminum cans they bring in. If Sara brings in 12 pounds of cans, what are her gross earnings?
A) $12.40
B) $6.00
C) $3.60
D) $4.80

Question 432

It took three assembly-line workers 6.48 seconds, 7.072 seconds, and 9.6 seconds to assemble a product. How many seconds in all did they work?
A) 23.152 sec
B) 10.192 sec
C) 13.552 sec
D) 16.08 sec

Question 433

If you save $25.25 by buying an item from a discount catalog when the list price is $119.47, what is the discount price?
A) $94.22
B) $144.62
C) $93.22
D) $144.72

Question 434

The formula for determining a property tax rate per $1.00 of assessed value is:
A) total estimated budget divided by total assessed property value × mill rate
B) total estimated budget divided by total assessed property value
C) total estimated budget divided by total assessed property value × $100
D) total estimated budget divided by total assessed property value × $1000

Question 435

In the problem statement "2/5 of the staff received a pay raise," the word "of" indicates the use of subtraction in calculating the solution.
A) True
B) False
Question 436
Before a check can be deposited or cashed, it must be:
A) endorsed
B) approved
C) verified
D) restricted

Question 437
The amount that must be paid when the purchase is paid for over a period of time is called the installment price.
A) True
B) False

Question 438
Find the mode for the scores: 35, 46, 35, 49, 35, 49.
A) 49
B) 35
C) 38.4
D) no mode

Question 439
If you multiply or divide both parts of a fraction by the same number, the value of the fraction does not change.
A) True
B) False

Question 440
Differential piece rate refers to a system of pay based on hours worked.
A) True
B) False

Question 441
Jane Frankis is depreciating a train engine purchased for $86,000. The scrap value is estimated to be $5000. She will use double-declining-balance and depreciate over 40 years. What is the first year's depreciation?
A) $2150.00
B) $4050.00
C) $2025.00
D) $4300.00

Question 442
The mode appears most frequently in a series of numbers.
A) True
B) False

Question 443
The date of repayment for a bond is called the maturity date.
A) True
B) False

Question 444
The term "ordinary interest" means a loan is for less than one year.
A) True
Question 445
Employees who are paid based on the number of units produced are paid a wage called commission.
A) True
B) False

Question 446
A holder of a $19,200, 10%, 240-day note dated June 1 decides to sell the note at a discount. The note is sold on July 18 at a discount of 11%. Find the proceeds.
A) $19,382.04
B) $19,265.99
C) $19,036.36
D) $19,272.25

Question 447
What is the single discount equivalent of 30/20/10?
A) 0.496
B) 0.30
C) 0.70
D) 0.504

Question 448
If the markup on a product is based on the selling price, then the selling price equals 100%.
A) True
B) False

Question 449
Yolanda, whose regular rate of pay is $12.90, with time and a half for overtime, worked 48.25 hours last week. Find her gross pay for the week.
A) $622.43
B) $673.64
C) $933.64
D) $675.64

Question 450
Accountants often use the median when studying salaries for various jobs. What is the median of the following salary list: $125,000, $112,000, $158,000, $235,000, $206,000, $107,000, $146,000, $835,000, $224,000, $185,000?
A) $158,000
B) $259,000
C) $233,000
D) $171,500

Question 451
The amount of money borrowed or invested is called the maturity value.
A) True
B) False

Question 452
15 ÷ 5
A) 3
Question 453

The difference between the smallest value in a set and the largest value is called the:
A) mean
B) mode
C) range
D) median

Question 454

A bond is a promise to repay the borrowed money at a specific date in the future and to pay interest annually.
A) True
B) False

Question 455

MACRS does not affect property in use before 1986.
A) True
B) False

Question 456

The future value and compound interest can be found using a:
A) formula
B) calculator application
C) $1.00 future value table
D) all of these are appropriate ways to find future value or compound interest

Question 457

Joy Maxwell is married, has a gross weekly salary of $535.56 (all of which is taxable), and the number of withholding allowances she claims is 2. Use the tax tables to find the federal tax withholding to be deducted from her weekly salary.
A) $23
B) $21
C) $24
D) $25

Question 458

James has a credit card with a monthly rate of 1.7%. The account applies the unpaid balance method. His unpaid balance for the Feb billing cycle is $546.50. During the billing cycle he made purchases of $394.01, returned items for $40.44, and made a payment of $170.00. Find the new balance.
A) $192.86
B) $739.36
C) $779.80
D) $820.24

Question 459

Forty five thousand, eight hundred four.
A) 45,840
B) 4,584
C) 45,804
D) 450,804
Question 460
Round 3620 to the first digit.
A) 3890
B) 4000
C) 4100
D) 5000

Question 461
A future value table factor of 1 means there is no interest earned during the transaction.
A) True
B) False

Question 462
Credit terms of 2/15, ROG means you have 15 days from the receipt of the goods to pay the invoice and take a 2% discount.
A) True
B) False

Question 463
Find the maturity value of a loan of $49,583 after 18 months. The loan carries a simple interest rate of 8.3% per year.
A) $56,099.03
B) $55,413.13
C) $55,807.96
D) $55,756.08

Question 464
Depreciation expense results in tax savings.
A) True
B) False

Question 465
The deviation from the mean can be shown by the standard deviation.
A) True
B) False

Question 466
To ascertain the cost of merchandise, take the selling price and subtract the markup.
A) True
B) False

Question 467
When compared to a lower APR, the table value for a higher APR:
A) is found by moving down the column for the lower APR
B) is exactly the same, when comparing other fees and charges
C) will always have a higher factor when comparing the same number of payments
D) is a more accurate representation of current interest rates

Question 468
Multiplication and division of fractions are totally dissimilar activities requiring separate skills.
A) True
B) False
Question 469

An annuity due with only one compounding period earns interest; an ordinary annuity with one compounding period earns none.
A) True
B) False

Question 470

An office supply store sells a computer disk for $97.95. If the cost is $61.23, find the percent of markup on cost and the equivalent percent of markup on selling price.
A) 62.5%, 160%
B) 60%, 62.5%
C) 62.5%, 37.5%
D) 60%, 37.5%

Question 471

A point is 1 percent of the amount of the loan.
A) True
B) False

Question 472

A stock is defined as:
A) equity in a corporation
B) classified typically as preferred or common
C) all of these are appropriate definitions of stock
D) the distribution of ownership in a corporation

Question 473

The owner of a small manufacturing plant employs six people. As part of their personnel file, she asked each one to record to the nearest mile the round-trip distance they travel to and from work each day. The six distances are listed below. Find the variance rounded to the nearest tenth.
55  31  67  25  52  46
A) 244.8
B) 45.9
C) 38.3
D) 13,539.1

Question 474

On June 1, Donaldson's Trucking accepts a $3000 note in settlement of a bill. The note is for 180 days at 10% interest. Donaldson sells the note at a 11% discount rate on July 22. Find the proceeds.
A) $3037.12
B) $3024.88
C) $3025.84
D) $2985.01

Question 475

If the digit to the right of the number that you are rounding is less than 5:
A) add 1 to the number
B) round the number up
C) keep the number the same
D) round the number down

Question 476
After finding the first selling price upon which a series of markup or markdowns will be based, all subsequent changes:
A) will be based on either cost or selling price for markups, and selling price for markdowns
B) will be based upon selling price
C) will result in a profit when using markups, and a loss using markdowns
D) will be based on cost

Question 477

The trade discount amount is equal to:
A) the list price times the trade discount rate
B) the list price divided by the trade discount rate
C) the list price minus the trade discount rate
D) the net price times the trade discount rate

Question 478

What number is 175% of 32?
A) 56
B) 560
C) 5600
D) 5.6

Question 479

When making estimates, you should round:
A) only when using decimals
B) only when using whole numbers
C) only the result of the final calculation
D) the numbers of the problem before calculations are made

Question 480

Chelsea Donahue has a 20-year home mortgage of $88,000 at 7.50% interest and will pay $537 annual insurance premium. Her annual property tax will be $1590. Find her monthly PITI payment.
A) $859.25
B) $993.01
C) $886.53
D) $709.28

Question 481

A variable rate mortgage means:
A) the interest rate cannot change
B) payments will be larger than on a fixed rate mortgage
C) the interest rate can change
D) the interest rate is fixed for the first five years

Question 482

If the list price is $41.26 and if $8.08 is saved by buying from a discount catalog, what is the discount price for the item?
A) $33.18
B) $48.34
C) $49.34
D) $33.28

Question 483

The primary means of making money as a bond owner is through the interest.
A) True
B) False
Question 484

Find the depreciation each year for a tractor that was purchased for $9700.00 and placed in service midyear under the MACRS method of depreciation as a 3-year property.

A) Year 1 Depreciation = $718.77
   Year 2 Depreciation = $1436.57
   Year 3 Depreciation = $4311.65
   Year 4 Depreciation = $3233.01
B) Year 1 Depreciation = $3233.01
   Year 2 Depreciation = $4311.65
   Year 3 Depreciation = $1436.57
   Year 4 Depreciation = $718.77
C) Year 1 Depreciation = $1940.00
   Year 2 Depreciation = $3104.00
   Year 3 Depreciation = $1862.40
   Year 4 Depreciation = $1117.44
D) Year 1 Depreciation = $3233.01
   Year 2 Depreciation = $7544.66
   Year 3 Depreciation = $8981.23
   Year 4 Depreciation = $9700.00


Question 485

Jim is a renter and carries $40,000 insurance on his personal belongings. He selects the minimum liability with a deductible of $1000 for each claim, carries identity theft/fraud protection and an endorsement of $4500 for his camera equipment. Jim has a recent bankruptcy on his record, so is credit is rated as "bad". Find his annual premium.

A) $393.75
B) $371.25
C) $333.00
D) $382.50


Question 486

Find the amount financed if a $25 down payment is made on a camera with a cash price of $260.

A) $25
B) $260
C) $315.86
D) $235


Question 487

The _________ is the total or original amount.

A) rate
B) percentage
C) equation
D) base


Question 488

Return on Investment is used:

A) expressed as a percentage or ratio
B) all of these apply to ROI
C) to evaluate the efficiency of an investment
D) one of the most important tools for measuring the performance of an investment


Question 489

A construction company purchased a piece of equipment for $1520. The expected life is 9000 hours, after which it will have a salvage value of $380. Find the amount of depreciation for the first year if the piece of equipment was used for 1800 hours. Use the units-of-production method of
Question 490

FOB Shipping Point means:
A) the buyer must contract with his own freight hauler
B) the buyer pays the cost of freight
C) the seller pays the cost of freight
D) title to the goods remains with the seller until delivery

Question 491

A recording studio purchased new sound equipment for a total of $50,500.00. The order has a trade discount of 10%. Use the net price rate to calculate the net price of the equipment.
A) $505.00
B) $49,995.00
C) $45,450.00
D) $5050.00

Question 492

47 × 1,000 means adding 3 zeros to the number being multiplied.
A) True
B) False

Question 493

Quarterly compounding means that interest is calculated on the balance every three months.
A) True
B) False

Question 494

In the process of reconciliation which of the following should be deducted from the register balance?
A) interest paid by the bank
B) credit from the bank
C) automatic paycheck deposit
D) bank service charges

Question 495

Holly, whose regular rate of pay is $12, with time and a half for overtime, worked 55 hours last week. Find her gross pay for the week.
A) $750.00
B) $660.00
C) $990.00
D) $480.00

Question 496

Find the ordinary interest on a loan of $350 at 12% annually made on July 9 and due October 31.
A) $363.30
B) $42.00
C) $13.18
D) $13.30
Question 497
Investing in stocks is guaranteed to make a profit for the buyer.
A) True
B) False

Question 498
A markdown percent can be calculated by dividing the amount of markdown by the sale price.
A) True
B) False

Question 499
_______% of the data are within 2 standard deviations of the mean.

Question 500
A share of stock represents an ownership interest in a company.
A) True
B) False

Question 501
Henry's BBQ reported net sales of $295,243 and had average total assets of $155,297. Find its asset turnover ratio. Round to two decimal places.
A) 1.90 to 1
B) 0.90 to 1
C) 0.47 to 1
D) 0.53 to 1

Question 502
A visual aid used to illustrate trends is a:
A) range graph
B) circle graph
C) line graph
D) bar graph

Question 503
The gross asset value is the value of one share of a mutual fund.
A) True
B) False

Question 504
$3980 at 6% compounded semiannually for 6 years
A) $1694.52
B) $772.33
C) $1432.80
D) $1665.71

Question 505
Find the interest paid on a loan of $69,750 at 9% annual simple interest for 2.7 years.
A) $16,321.50
B) $8920.66
C) $16,949.25
D) $23,226.75
Question 506

The units-of-production method of depreciation takes into consideration how an asset is used in a business.
A) True
B) False

Question 507

Edgar borrowed $8200 on a 220-day note that required ordinary interest at 10.3%. Edgar paid $3000 on the note on day 150. How much interest did he save by making the partial payment?
A) $240.72
B) $53.04
C) $516.14
D) $404.95

Question 508

The Mazzie’s corporate office employs 580 workers. On Tuesday 29 employees called in sick. 5% of the employees were not at work on Tuesday.
A) True
B) False

Question 509

Term life insurance does not accumulate cash value.
A) True
B) False

Question 510

8.78 ÷ 0.017  (Round to the nearest hundredths when necessary.)
A) 51.65
B) 516.47
C) 516.97
D) 51.7

Question 511

The repayment of a loan in equal installments that are applied to principal and interest over a specific period of time is called:
A) adjustable rate mortgage
B) amortization
C) constant mortgage
D) conventional mortgage

Question 512

A whole number is understood to have a decimal point at the:
A) interval
B) end
C) beginning
D) left

Question 513

A baby weighed 6 pounds at birth and gained 3 pounds a month. How much did the baby gain in 3 months?
A) 9 lb
B) 12 lb
C) 27 lb
D) 15 lb
Question 514

“One point” represents:
A) 1 payment per month.
B) 1 percent per month additional charge.
C) 1 percent of the amount borrowed.
D) 1 additional percent for every $10,000 borrowed.

Question 515

The value of a mutual fund does not fluctuate.
A) True
B) False

Question 516

The number of square feet a department occupies can be used to determine the amount of the overhead allocation charge.
A) True
B) False

Question 517

On the bottom of the check, the checking account number is printed in:
A) script
B) capitals
C) magnetic tape
D) magnetic ink

Question 518

Armol, whose regular rate of pay is $10.49, with time and a half for overtime, worked 47 hours last week. Find his gross pay for the week.
A) $739.54
B) $529.75
C) $527.75
D) $493.03

Question 519

Chaundra has a credit card with a monthly rate of 1.3%. The account applies the unpaid balance method. Her unpaid balance for the June billing cycle is $704.42. During the month of June, she made purchases of $452.61, returned items worth $17.69 and made a payment of $105. Find her new balance.
A) $1043.50
B) $1061.19
C) $1034.34
D) $1042.13

Question 520

When adding two negative integers:
I. add the numbers without regard to the signs
II. assign a negative to the sum
A) II
B) neither I nor II
C) I
D) both I and II

Question 521
Jose Ramirez, a salesperson for a chemical company, travelled 1746 miles on Monday, 314 miles on Tuesday, and 2106 miles on Thursday. Find the total number of miles he travelled during these three days.

A) 4066 mi
B) 4166 mi
C) 3538 mi
D) 3852 mi


**Question 522**

Last week, Jarrett assembled 79 items. Find his gross weekly earnings if he is paid at the following differential piece rate.
1-75 items assembled $0.75 each
76-125 items assembled $1.50 each
126 or more items assembled $2.00 each

A) $118.50
B) $59.25
C) $64.25
D) $62.25


**Question 523**

Under the weighted average method, to determine the cost of goods sold you multiply the number of units sold times the average unit cost.

A) True
B) False


**Question 524**

It is a good idea to use a restricted endorsement when depositing a check.

A) True
B) False


**Question 525**

The lowest rate of interest charged by banks for short-term loans to their most creditworthy customers is known as the:

A) all of these are appropriate references
B) reference rate
C) base lending rate
D) prime interest rate


**Question 526**

The retail inventory method is one means of estimating inventory as opposed to an exact inventory.

A) True
B) False


**Question 527**

A store sells an item for $480 each. If this is a 61.6% markup on cost, find the equivalent markup percent on the selling price.

A) 480%
B) 38.1%
C) 99.3%
D) 160.4%


**Question 528**

Sales returns or allowances are refunds/adjustments for unsatisfactory merchandise or services.

A) True
B) False

Question 529
Raising a fraction to higher terms changes the value of the fraction.
A) True
B) False

Question 530
The maturity value of a loan is:
A) face value plus proceeds
B) principal plus interest
C) proceeds minus interest
D) principal minus interest

Question 531
An employee’s gross pay is equal to:
A) net pay minus withholdings
B) actual hours worked times rate of pay
C) overtime pay plus withholdings
D) budgeted hours times rate per hour

Question 532
The integer -9,644 written as words is:
I. negative nine thousand, six hundred forty-four
II. minus nine thousand, six hundred forty-four
III. negative 9 thousand, six forty-four
A) I only
B) III only
C) II only
D) either I or II

Question 533
Discounts are allowed to be taken on partial payments.
A) True
B) False

Question 534
To determine the inventory turnover at retail, divide the cost of goods sold by the average inventory at retail.
A) True
B) False

Question 535
Find the interest paid on a loan of $2000 for 1 year at a simple interest rate of 7% per year.
A) $2140.00
B) $160.00
C) $140.00
D) $14.00

Question 536
Ar-Mel receives an invoice dated March 16 in the amount of $322.50. The credit terms are 2/10, EOM. If the invoice is paid on April 9, the amount due is:
A) $322.50 plus a penalty
B) $316.05
Question 537
If Bob deposits $5000 at the end of each year for 4 years in an account paying 6% interest compounded annually, find the amount he will have on deposit.
A) $16,873.08
B) $28,185.46
C) $21,875.00
D) $15,918.00

Question 538
When a check stub is completed, the balance from the previous check should be brought forward, any deposits are added and the check amount is deducted to arrive at the new balance.
A) True
B) False

Question 539
An equation is a mathematical expression of equality.
A) True
B) False

Question 540
Salary is most often stated as:
A) based on an hourly rate of pay
B) a certain amount of money paid each year
C) the difference between gross and net earnings
D) wages

Question 541
Tree-Mark Industries pays $90.00 for unfinished wood furniture and sells it at a markup of 35% on cost. The selling price is $121.50.
A) True
B) False

Question 542
The term used to describe the type of bonds the federal government issues is:
A) municipal bonds
B) coupon bonds
C) treasury bonds
D) registered bonds

Question 543
To solve an equation means to find the:
A) known quantities
B) unknown amount
C) symbolic amount
D) parenthetic value

Question 544
The divisor plus the quotient plus the remainder equals the dividend.
A) True
Question 545
Not all mortgages are paid on a monthly basis.
A) True
B) False

Question 546
The Truth in Lending Law requires that a lending institution must tell the borrower, in writing, what the actual interest rate is going to be.
A) True
B) False

Question 547
Find the operating ratio for Washington Retailers if the annual cost of goods sold is $258,419, the operating expenses are $52,344, and the net sales are $423,002. Round to three decimal places.
A) 0.735 to 1
B) 1.361 to 1
C) 0.611 to 1
D) 0.544 to 1

Question 548
What are the quarterly payments on a $25,000 whole-life insurance policy for a 40-year old male with a preferred rate?
A) $31.54
B) $81.51
C) $93.73
D) $360.50

Question 549
A bond selling for more than its face value is said to be selling at:
A) a premium
B) a cumulative price
C) a discount
D) the market

Question 550
The letters GCD stand for Greatest Common Divisor.
A) True
B) False

Question 551
At or before a real estate closing, which of the following may be included:
A) mortgage closing costs
B) good faith estimate
C) all of these may be required before or during closing
D) points

Question 552
Southwest Dry Cleaners believes that it will need new equipment in 5 years. The equipment will cost $26,000. What lump sum should be invested today at 4% compounded semiannually, to yield $26,000?
A) $24,611.99
B) $23,649.29
Question 553

-563 + 848
A) 279
B) 285
C) 185
D) 1411

Question 554

Ted runs a shoe store. His gross sales for the week were $5100 and his returns were $1400. What were Ted's net sales? Use the formula \( G = N + R \), where \( G \) is gross sales, \( N \) is net sales, and \( R \) is returns.
A) $3900
B) $3700
C) $5100
D) $1400

Question 555

A _________ range indicates that the values in a set are very similar to one another.

Question 556

Tammy weighs 165 pounds and wants to lose 25% of her body weight. Her goal is to lose 50 pounds.
A) True
B) False

Question 557

When interpreting financial ratios:
A) just one statistic does not give the total picture
B) all of these apply when interpreting financial ratios
C) a value of 1 is normal/desirable only with the acid-test ratio
D) a business should track progress over time and compare to industry standards

Question 558

\( 17 + 7 = C \) is a statement of equality.
A) True
B) False

Question 559

Checks that have not been presented to the bank at the time of statement processing are referred to as outstanding checks.
A) True
B) False

Question 560

A dining room set was ordered on August 12, paid for on August 15 and received August 21, and had discount terms of 2/10, n/30, ROG. What is the latest date the cash discount is allowed?
A) September 1
B) August 25
C) August 31
D) August 22
Question 561
Rather than itemize expenses such as charitable contributions, interest, and taxes to arrive at taxable income the taxpayer may elect to take a:
A) standard payment
B) standard deduction
C) standard adjustment
D) standard exemption

Question 562
It is up to the business to select what method of depreciation will be used for income tax purposes.
A) True
B) False

Question 563
Finch Bird Supplies reported sales of $12,315.00 last month and sales of $16,750.00 this month. Sales increased 36%.
A) True
B) False

Question 564
Ordinary-life insurance is the least expensive type of life insurance.
A) True
B) False

Question 565
Find the ordinary interest on a loan of $2780 at 7% annually for 316 days.
A) $2950.82
B) $170.28
C) $194.60
D) $170.82

Question 566
The amount paid by the insured for the protection provided by the insurance policy is referred to as the:
A) premium
B) cash value
C) coinsurance
D) face amount

Question 567
Graphs can be used to illustrate changes or trends in business.
A) True
B) False

Question 568
Two of the most common methods of allocating overhead by department are total sales and net floor space.
A) True
B) False

Question 569
When a business receives a promissory note as payment for goods or services and in turn sells the note to a bank it is called:
A) proceed advance
B) discounting
Question 570

There is no median when all of the values in a set are different.

A) True
B) False


Question 571

The costs associated with running a business are called:

A) operating expenses
B) net loss
C) gross margin
D) net costs


Question 572

The formula for ordinary interest using exact time is:

A) 30 divided by 365
B) 30 divided by 360
C) exact days divided by 360
D) exact days divided by 365


Question 573

Any statement that uses an equal sign is called a(n):

A) variable
B) equation
C) symbol
D) unknown quantity


Question 574

What is the monthly interest rate if an annual rate is 17.5%?

A) 1.4%
B) 14.58%
C) 1.46%
D) 16.5%


Question 575

The most recently purchased goods are assumed to be sold first with the FIFO method.

A) True
B) False


Question 576

0.594 ÷ 66

A) 0.008
B) 0.009
C) 0.01
D) 0.0089


Question 577

When money is to be added to a checking account, a _________ is normally filled out.

A) deposit slip
Question 578
1 plus the net decimal equivalent rate is equal to the single discount equivalent rate.
A) True
B) False

Question 579
A final selling price may be the result of a series of _______ or ________.

Question 580
The number in front of a letter, as in 5A, is called a:
A) coefficient
B) variable
C) unknown
D) decimal

Question 581
When assigning a value to merchandise, the specific identification method uses a(n)
A) average cost per unit
B) fixed cost per unit
C) exact cost per unit
D) approximate cost per unit

Question 582
The single discount equivalent is the:
A) same as the net decimal equivalent
B) complement of the single discount rate
C) complement of the net decimal equivalent
D) same as the net decimal series

Question 583
An annuity can be described as a series of equal periodic payments deposited in an interest bearing account for a specific number of periods.
A) True
B) False

Question 584
Term life insurance will pay the face amount of the insurance policy in the event of the death of the insured.
A) True
B) False

Question 585
An invoice for a laptop computer that cost $625.68 is dated September 15, with sales terms of 3/10 EOM. If the bill is paid October 8, find the cash discount and net amount paid.
A) Cash discount: $0; net amount: $625.68
B) Cash discount: $62.57; net amount: $563.11
C) Cash discount: $18.47; net amount: $614.68
D) Cash discount: $18.77; net amount: $606.91
<table>
<thead>
<tr>
<th>Question</th>
<th>Description</th>
<th>Options</th>
<th>Answer</th>
</tr>
</thead>
</table>
| 586      | Principal times rate times time is equal to interest. | A) True  
| 587      | The amount of earnings after deductions is called take-home pay. | A) True  
| 588      | The installment price minus the down payment is equal to the amount financed. | A) True  
| 589      | The Rule of 78 got its name from the sum of the number of parts of accruing interest for a 12-month loan. | A) True  
| 590      | Sybille worked 45 hours in one week. She earns $10.00 per hour with time and a half for overtime. Find her gross earnings for the week. | A) $100  
B) $450  
C) $475  
D) $400 | [Answer](https://biology-forums.com/index.php?topic=295792) |
| 591      | The acid test ratio is quick current assets divided by current liabilities. | A) True  
| 592      | An invoice of $960.00 including freight charges of $30.00 is dated June 14. If the credit terms are 3/15, N/30 and the invoice is paid on June 20, the amount due is $931.20. | A) True  
| 593      | Find the due date for a loan made on September 14 for 90 days. | A) December 13  
B) December 15  
C) December 14  
| 594      | What percent of 27 is 7? | A) rate (%) = unknown number  
based (of) = 27  
portion (is) = 7 | |
B) rate (%) = 7%
base (of) = unknown number
portion (is) = 27
C) rate (%) = unknown number
base (of) = 7
portion (is) = 27%
D) rate (%) = 7%
base (of) = 27
portion (is) = unknown number

Question 595
The estimated value of an asset's usefulness is directly related to the asset's physical deterioration.
A) True
B) False

Question 596
The primary form used in a checking account is a check register.
A) True
B) False

Question 597
On October 1, the unpaid balance in an account was $185. No payments were made that month. The interest rate per month was 1.75% per month of the average daily balance. Find the finance charge for the month of October.
A) $3.06
B) $3.41
C) $3.14
D) $3.24

Question 598
Find the median for the scores: 4, 6, 10, 29, 36, 43, 48.
A) 36
B) 25
C) 29
D) 10

Question 599
Gordon borrows $17,500.00 for 120 days on March 17. The day the loan is due to be paid, using exact time, is:
A) July 16
B) July 15
C) July 4
D) July 13

Question 600
Two million, fifteen.
A) 20,00,015
B) 2,000,015
C) 215,000,000
D) 2,150,000

Question 601
Bodily injury and property damage insurance are included in the requirements for liability insurance.
A) True
B) False
Question 602
A director of accounts received a bill for a $674, dated October 6, with sales terms 5/10, 2/20, n/30. The bill was paid October 21. Find the cash discount and net amount paid.
A) Cash discount: $0; net amount: $674
B) Cash discount: $67.40; net amount: $606.60
C) Cash discount: $33.70; net amount: $640.30
D) Cash discount: $13.48; net amount: $660.52

Question 603
An electronic funds transfer does not eliminate the need to write a check.
A) True
B) False

Question 604
With the sum-of-the-years-digits method, the first year’s depreciation should be the largest.
A) True
B) False

Question 605
The units-of-production method of depreciation is employed when assets are used consistently over a period of time.
A) True
B) False

Question 606
A good statistical indicator to avoid the distortion of extreme values is the:
A) median
B) weighted mean
C) mode
D) mean

Question 607
The effective interest rate is best defined as:
A) manual compounding
B) annual percentage quota
C) the simple interest rate that is equivalent to a compound rate
D) yield to interest

Question 608
The process of amortization includes which of the following?
A) both equal payments and a specific length of time
B) variable rates
C) a specific length of time
D) equal payments

Question 609
When comparing electrical usage among utility customers, a small standard deviation indicates that the mean:
A) shows that electrical usage is decreasing
B) is not a typical value in the data set
C) is a typical value in the data set
D) shows that electrical usage is increasing
Question 610
Which of the following venues would be least likely to include the sales tax in the quoted price?
A) auto dealership
B) flea market
C) sporting event
D) amusement park

Question 611
Sinking funds are used to accumulate a sum of money by a given date to pay off a financial obligation.
A) True
B) False

Question 612
The Wellspring Company’s fleet of trucks get 20, 8, 20, 10, 18, 14, and 24 miles per gallon (mpg). What is the mean miles per gallon for the fleet? Round to the nearest whole number.
A) 15 mpg
B) 19 mpg
C) 16 mpg
D) 17 mpg

Question 613
If a 2% charge is added to the annual premium of $1576.90 when payments are made semiannually, how much would semiannual payments be?
A) $716.04
B) $804.22
C) $1576.90
D) $420.01

Question 614
Using ordinary time, a loan that starts on May 15 and is due to be paid August 15 would have a total duration of 92 days.
A) True
B) False

Question 615
Marc Banks paid $284.50 for round-trip tickets to Hawaii. He paid sales tax at a rate of 4.25%. How much tax did he pay?
A) $12.09
B) $120.90
C) $14.94
D) $9.25

Question 616
34.06 ÷ 10
A) 340.6
B) 3406
C) 3.406
D) 0.3406

Question 617
The value of merchandise available for sale on a given date is called:
A) inventory
B) overhead
Question 618

In Cairo, Egypt, the average number of protestors in Tahrir Square at any given moment during the anti-Mubarak protests was 60,002. Round the number of protestors to the nearest thousand.

A) 60,010
B) 60,000
C) 60,100
D) 61,000


Question 619

The amount an asset decreases in value from its original cost is called:

A) total cost
B) salvage value
C) book value
D) depreciation


Question 620

A DVD player that costs $168 sells for a 30% markup based on the cost. What is the selling price of the DVD player?

A) $560.00
B) $218.40
C) $129.23
D) $50.40


Question 621

Assigning an exact value to ending inventory is a complicated process because the cost of merchandise may vary during a specific period of time.

A) True
B) False


Question 622

Many companies offer uninsured motorist coverage which compensates the insured person when the accident is the fault of a motorist who has no or inadequate insurance coverage.

A) True
B) False


Question 623

In one city, 0.850 of those polled said they would not vote for the incumbent in the upcoming congressional election. Represent this as a percent.

A) 8.5%
B) 0.0850%
C) 0.850%
D) 85%


Question 624

Naomi Haden earns a weekly salary of $3576.57 with no adjustments to income. She is married and claims 4 withholding allowances. Find the federal tax withholding to be deducted from her weekly paycheck using the percentage method tables.

A) $640.99
B) $722.84
C) $1506.84
D) $1424.99

Question 625
In an equation, unknown quantities are called:
A) fraction bars
B) variables
C) constants
D) symbolic statements

Question 626
An outstanding check included in this month's bank statement, from a previous month's bank reconciliation, should be:
A) added to the bank statement balance of cash
B) added to the book balance of cash
C) deducted from the book balance of cash
D) ignored

Question 627
What formula best describes the calculation of present value for an amount compounded annually?
A) maturity value divided by 1 + interest rate
B) \( PV = P \times R \times T \)
C) present value divided by 1 + interest rate
D) maturity value - compound interest

Question 628
Unlike simple interest, compound interest is never found using a:
A) 365-day year
B) manual compounding
C) 360-day year
D) formula

Question 629
A loan made on September 6 is due on March 9. Find the exact time for the loan in a non-leap year.
A) 154 days
B) 184 days
C) 188 days
D) 183 days

Question 630
A kitchen table costs $300. The tax is $6.00. What is the tax rate?
A) 2%
B) 0.2%
C) 3%
D) 4%

Question 631
Starting at the right side of a number, commas are used to separate the number into groups of three digits.
A) True
B) False

Question 632
The credit terms 4/10, N/30 means a 10% discount may be taken if the invoice is paid within 4 days of the invoice date.
A) True
B) False
| Question 633 | The addend is the total of the sums.  
A) True  
B) False  
| --- | --- |
| Question 634 | The statistical term “the mean” is a totally different function than the arithmetic average.  
A) True  
B) False  
| Question 635 | When calculating the payoff amount on a loan, the first step is to calculate the interest outstanding on the loan.  
A) True  
B) False  
| Question 636 | The total cost of replacing the front door is $224.08. Write the cost of the door in words.  
A) two hundred twenty-four dollars and eight cents  
B) two hundred and twenty dollars and eight cents  
C) two hundred eight dollars and twenty cents  
D) four hundred twenty-two dollars and eight cents  
| Question 637 | In constructing a circle graph, the circle represents 360% of whatever quantity the graph represents.  
A) True  
B) False  
| Question 638 | Total dollar sales is always the basis for an employee’s commission.  
A) True  
B) False  
| Question 639 | In an equation containing an addition and a multiplication operation, you should first undo addition and then undo multiplication.  
A) True  
B) False  
| Question 640 | The LIFO method determines the cost of the ending inventory based on the cost of the oldest purchases.  
A) True  
B) False  
| Question 641 | Bell’s Amusement Park expected 12,000 guests on July 4. By noon 1500 guests were already present. The percent of expected guests already in the park was 12%.  
A) True  
B) False  
Question 642
The insurance company or carrier that assures payment for a specific loss according to contract provisions is known as the:
A) beneficiary
B) insurer
C) policyholder
D) insured

Question 643
Commas separate every three digits from the left to the right of the decimal.
A) True
B) False

Question 644
Estimated life or useful life refers solely to the number of years an asset is expected to be usable.
A) True
B) False

Question 645
989 by 56
A) 55,394
B) 55,384
C) 55,484
D) 55,374

Question 646
The unpaid balance in an account on November 1 was $125. A payment of $25 was made on November 9. The interest rate per month was 1.65% per month of the average daily balance. Find the finance charge for the month of November.
A) $1.65
B) $1.77
C) $3.71
D) $1.76

Question 647
A number increased from 2553 to 5955. Find the amount of increase.
A) 3296
B) 5402
C) 3402
D) 3396

Question 648
The circle graph below gives the inventory of the women's department of a store.

Coats $35,955
Dresses $35,250
Lingerie $4935
Skirts $8460
Slacks $16,920
Blouses $2115
Socks $6345

What is the total inventory?
A) $112,095
B) $74,730
Question 649

Find the net price of a ring that lists for $316.50 if a discount rate of 15% applies.
A) $269.03
B) $48.48
C) $47.48
D) $270.03

Question 650

Reduced price = $22.21; markdown rate = 35%. Find the original price and the markdown amount.
A) Original price = $14.44
   Markdown amount = $7.77
B) Original price = $29.99
   Markdown amount = $7.77
C) Original price = $34.17
   Markdown amount = $11.96
D) Original price = $10.25
   Markdown amount = $11.96

Question 651

If you count the specific number of days in a month, it is called ________ time.
A) approximate
B) exact
C) variable
D) ordinary

Question 652

The percent of markdown can be calculated by using the percentage formula which is:
A) base equals portion divided by rate
B) rate equals portion divided by base
C) rate equals portion times base
D) portion equals rate divided by base

Question 653

A promissory note is a legal document whereby the signer promises to repay a loan.
A) True
B) False

Question 654

A decimal point separates the whole number part from the decimal part.
A) True
B) False

Question 655

An invoice received from Royal Exporters totaled $638.20, was dated October 10, and offered terms of 1/11 ROG. The shipment was received November 27. If the invoice was paid on December 12, find the net amount due.
A) $0
B) $631.82
C) $638.20
D) $6.38
Question 656
A method that depreciates the largest amount possible during the first two years is:
A) straight-line
B) sum-of-the-years-digits
C) units-of-production
D) double declining balance

Question 657
The list price of a keyboard is $796. If the trade discount series offered is 5/10/15, what is the trade discount?
A) $578.49
B) $557.20
C) $238.80
D) $217.51

Question 658
Which of the following is not an appropriate category for filing status when using the income tax tables?
A) married filing separately
B) single with children
C) head of household
D) married filing jointly

Question 659
The retail inventory method:
A) increases the inventory maintenance workload
B) is based on an estimate of the cost of inventory
C) does not require the dollar value of sales
D) requires a precise count of retail inventory

Question 660
In an equation, unknown quantities are called differences.
A) True
B) False

Question 661
What are the monthly payments on a $70,000 universal-life insurance policy for a 35-year old female using a preferred rate?
A) $143.60
B) $48.33
C) $55.68
D) $552.30

Question 662
Ordinary life insurance policies do not build up a cash value.
A) True
B) False

Question 663
A check stub is a separate bound set of forms used to record all checks written and deposits made.
A) True
B) False
Question 664
The _________ will distort the average of a set of numbers that has one or more extreme values.

Question 665
If the original price for an item was $5.50 and it increased by 100%, the new price is $12.00.
A) True
B) False

Question 666
The basic accounting equation is assets = liabilities + owner’s equity.
A) True
B) False

Question 667
Assessed property value: $4,297,000
Expenses to be funded by property tax: $251,000
Tax per amount of assessed value: $100
A) $1.71 per $100
B) $0.58 per $100
C) $17.12 per $100
D) $5.84 per $100

Question 668
The primary difference between an annuity due and an ordinary annuity is:
I. when the money is paid into the annuity
II. the way the money is paid out of the annuity
III. with an annuity due, payment is made at the beginning of the period
A) III only
B) both I and III
C) I only
D) II only

Question 669
In the markup stage of a markup/markdown series, the original price is always used.
A) True
B) False

Question 670
The one who writes the check and directs the payment of funds is known as the:
A) payee
B) endorsee
C) maker
D) drawee

Question 671
The amount of taxes withheld from your paycheck can be reduced by increasing the number of exemptions claimed on form W-2.
A) True
B) False

Question 672
An invoice for $280.00 received by Jacob is dated May 10 with credit terms of 2/10, N/30. Jacob pays $57.00 on May 19. The balance owed after the payment is credited is $221.84.
A) True
B) False

Question 673
A trade discount increases the purchase price.
A) True
B) False

Question 674
A present value calculation cannot be verified using the compound interest table.
A) True
B) False

Question 675
$1370 at 3% compounded annually for 10 years
A) $417.54
B) $471.17
C) $369.90
D) $411.00

Question 676
72% is the complement of 27%.
A) True
B) False

Question 677
The person to whom the proceeds of an insurance policy are payable is referred to as the policyholder.
A) True
B) False

Question 678
When finding the amount of change in percentage problems, the percent is always based on:
A) the final or ending amount in decrease problems
B) the original or beginning amount for increase problems
C) the original or beginning amount
D) the final or ending amount

Question 679
If you use ordinary time, February is assumed to have 30 days, except in a leap year.
A) True
B) False

Question 680
Assessed property value: $110,660,000
Expenses to be funded by property tax: $6,431,000
Tax per amount of assessed value: $1.00
A) 0.58%
B) 1.72%
C) 17.21%
Question 681
Under the specific identification method, the earliest items purchased are assumed to be the first items sold.
A) True
B) False

Question 682
A tax is money collected by a government for its own support and for providing services to the populace.
A) True
B) False

Question 683
An annuity paid over an uncertain number of periods is a(n):
A) contingent annuity
B) ordinary annuity
C) annuity certain
D) annuity due

Question 684
_______ is the percent of interest charged on a loan.
A) Principal
B) Rate
C) Ordinary
D) Time

Question 685
To find the trade discount when the list price and single discount rate are given, use the following formula:
A) trade discount times single discount rate
B) net price times single discount rate
C) base equals portion times rate
D) list price times single discount rate

Question 686
Jin, whose regular rate of pay is $12.05, with time and a half for overtime, worked 46.5 hours last week. Find his gross pay for the week.
A) $560.33
B) $599.49
C) $597.49
D) $840.49

Question 687
The installment price minus the down payment equals the:
A) carrying charge
B) total payments
C) cash price
D) net price

Question 688
Georgia agrees to lend money to Matt at a special interest rate of 9.9% per year, on the condition that he borrow enough that he would pay her $573 in interest over a 9 month period. What was the minimum amount Matt could borrow?
A) $7652.86
<table>
<thead>
<tr>
<th>Question 689</th>
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<tbody>
<tr>
<td>A contingent annuity has a specific number of payment periods.</td>
</tr>
<tr>
<td>A) True</td>
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<tr>
<td>B) False</td>
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<tr>
<th>Question 690</th>
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<tbody>
<tr>
<td>If the cost and the percent of markup on cost are known, the selling price can be calculated.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
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<tr>
<td>Answer: <a href="https://biology-forums.com/index.php?topic=295648">link</a></td>
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<thead>
<tr>
<th>Question 691</th>
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<tbody>
<tr>
<td>A periodic inventory accounting system requires a physical count of its inventory once a month.</td>
</tr>
<tr>
<td>A) True</td>
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<tr>
<td>B) False</td>
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<td>Answer: <a href="https://biology-forums.com/index.php?topic=296364">link</a></td>
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<thead>
<tr>
<th>Question 692</th>
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<tbody>
<tr>
<td>$575.49 ÷ 0.003  (Round to the nearest thousandths when necessary.)</td>
</tr>
<tr>
<td>A) 191,830</td>
</tr>
<tr>
<td>B) 19,183.05</td>
</tr>
<tr>
<td>C) 191,830.5</td>
</tr>
<tr>
<td>D) 19,183</td>
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<tr>
<td>Answer: <a href="https://biology-forums.com/index.php?topic=295080">link</a></td>
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<tr>
<th>Question 693</th>
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<tbody>
<tr>
<td>The percent of Social Security tax charged and the amount of salary subject to the tax can change from year to year.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
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<td>B) False</td>
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<table>
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<tr>
<th>Question 694</th>
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<tbody>
<tr>
<td>If a dividend is not declared and paid, this type of preferred stock is still owed its dividend.</td>
</tr>
<tr>
<td>A) participating</td>
</tr>
<tr>
<td>B) convertible</td>
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<tr>
<td>C) cumulative</td>
</tr>
<tr>
<td>D) coupon</td>
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<tr>
<td>Answer: <a href="https://biology-forums.com/index.php?topic=296223">link</a></td>
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<tr>
<th>Question 695</th>
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<tbody>
<tr>
<td>$524.19</td>
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<tr>
<td>A) $524</td>
</tr>
<tr>
<td>B) $524.19</td>
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<tr>
<td>C) $524.20</td>
</tr>
<tr>
<td>D) $525</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Question 696</th>
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<tbody>
<tr>
<td>A trade discount is the amount deducted from the list price by the manufacturer.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
<tr>
<td>Answer: <a href="https://biology-forums.com/index.php?topic=295533">link</a></td>
</tr>
</tbody>
</table>
Question 697

Jessie has a ribbon that is 18 yards long. He wants to cut it into pieces that are 1.8 yards long. How many 1.8-yard pieces will he get from the ribbon?
A) 100 pieces
B) 9 pieces
C) 10 pieces
D) 11 pieces

Question 698

A prime number is any number larger than 1 that is divisible only by itself and 1.
A) True
B) False

Question 699

The type of bond that gives the issuing corporation the right to purchase the bond back prior to its maturity is:
A) convertible
B) participating
C) registered
D) recallable

Question 700

The _____ is the smallest value subtracted from the largest value in a set of numbers.

Question 701

120 days from August 8 is:
A) November 8
B) December 6
C) November 7
D) November 5

Question 702

If a check that you deposit is returned NSF, the bank credits your account for the amount of the check.
A) True
B) False

Question 703

When more people want to sell stock than want to buy stock, the price of the stock tends to drop.
A) True
B) False

Question 704

7.903
A) seven and ninety-three thousandths
B) seven and ninety thousand three hundredths
C) seven and nine hundred three thousandths
D) seven and ninety tenths and three thousandths

Question 705

The accumulated principal and interest after one or more interest periods is referred to as the:
A) compound amount
B) future value
Question 706
The first step in the units-of-production method is to determine the depreciation for one unit.
A) True
B) False

Question 707
A local company received an invoice dated March 8, with terms 2/10, n/30, amounting to $3647. They paid the bill March 15. Find the cash discount and net amount paid.
A) Cash discount: $36.47; net amount: $3610.53
B) Cash discount: $364.70; net amount: $3282.30
C) Cash discount: $0; net amount: $3647
D) Cash discount: $72.94; net amount: $3574.06

Question 708
If the seller is to pay the shipping costs, the bill of lading will be marked "freight collect."
A) True
B) False

Question 709
A radio is sold for $16.00. This represents a markup of 30% on cost. The cost of the radio is $44.80.
A) True
B) False

Question 710
In a bank reconciliation, outstanding checks are:
A) added to the checkbook
B) added to the bank statement
C) subtracted from the checkbook
D) subtracted from the bank statement

Question 711
The values that appear on the balance sheet provide a historical background of the company.
A) True
B) False

Question 712
The total amount of money due at the end of a loan period is called the maturity value.
A) True
B) False

Question 713
A pie chart is normally used to illustrate trends.
A) True
B) False

Question 714
Adjusted balance due at maturity refers to:
A) the remaining principal after a partial payment has been properly credited
B) the final interest payment due at maturity
C) the formula based on the U.S. Rule
D) the remaining balance due at maturity after one or more partial payments have been made

Question 715

A local dealer sells baseballs for $25 each. If $5.27 is the markup, what is the cost?
A) $25.00
B) $19.73
C) $30.27
D) $18.73

Question 716

The Base is the total or original amount.
A) True
B) False

Question 717

An improper fraction has a value equal to or less than 1.
A) True
B) False

Question 718

Estimated cost of goods sold can be found by:
A) multiplying net sales by gross profit
B) dividing net sales by the complement of the percent of gross profit
C) dividing net sales by gross profit
D) multiplying net sales by the complement of the percent of gross profit

Question 719

A discount of 40/35/10 would be termed a net decimal equivalent.
A) True
B) False

Question 720

Checks that you have written that appear on your bank statement are called "outstanding checks."
A) True
B) False

Question 721

The largest possible number that will divide equally into 2 or more other numbers is called the:
A) greatest common divisor.
B) denominator.
C) least common denominator.
D) numerator.

Question 722

Prepare a balance sheet for Mullen’s Hardware for December 31 of last year. The company assets are cash $15,000, accounts receivable $21,000, and merchandise inventory $95,000. The liabilities are accounts payable $12,000 and wages payable $17,000. The owner’s capital is $102,000.
A) Mullen’s Hardware Balance Sheet
Total assets: $131,000
Question 723

During one year 40 new employees started working at McIntosh Manufacturing Company. At the beginning of the year there are 211 employees in the factory and 50 employees in the office. What is the total number of employees at the end of the year?

A) 261 employees  
B) 221 employees  
C) 301 employees  
D) 90 employees


Question 724

When an improper fraction is converted, if there is a remainder, it is:

A) the numerator.  
B) the denominator.  
C) a prime number.  
D) a whole number.


Question 725

A store sells an item for $520 each. If this is a 44.7% markup on the selling price, find the equivalent markup percent on cost.

A) 520%  
B) 55.9%  
C) 30.9%  
D) 80.8%


Question 726

Unit price is:

I. another term for unit cost  
II. the price for 1 unit of a product  
III. another term for the least common denominator

A) II only  
B) both I and II  
C) III only  
D) I only


Question 727

Using MACRS, the amount of cost recovery is determined by:

A) dividing the asset cost by the appropriate rate  
B) adding the asset cost to the appropriate rate  
C) multiplying the asset cost times the appropriate rate  
D) subtracting the appropriate rate from the asset cost

Question 728

With the retail method, ending inventory at cost is equal to the ending inventory at retail times the cost ratio.
A) True
B) False

Question 729

A withholding allowance, also called an exemption, is:
A) based on the amount of one's earnings
B) paid to local, state, or federal governments
C) a portion of gross earnings that is not subject to tax
D) also referred to as adjusted gross income

Question 730

The payee of a check is recorded in the memo portion.
A) True
B) False

Question 731

A contingent annuity:
A) provides only monthly payments
B) will pay for a maximum of 30 years
C) does not have a fixed number of payments
D) has a fixed amount of payments

Question 732

Rupert Kelly is a head of household and has a taxable income of $29,925. How much tax does he owe?
A) $3874
B) $4056
C) $3881
D) $4064

Question 733

The dividends paid on preferred stock and common stock vary according to the profitability of the issuing company.
A) True
B) False

Question 734

When comparing two figures representing monthly production outputs for a local factory, to compute the percentage change you would:
A) need to know which figure represented the earlier month
B) divide the larger figure by the smaller figure
C) need to know which figure was the largest
D) divide the smaller figure by the larger figure

Question 735

An equation is:
A) a mathematical expression of equality
B) a mathematical expression of constants
C) an expression of a mathematical inequality
D) a mathematical unknown
Question 736

In a promissory note, the person borrowing the money is called the maker.
A) True
B) False

Question 737

The accumulation phase of an annuity is characterized by:
I. paying money into the fund
II. receiving money from the fund
III. the fund balance may earn compound interest
A) II only
B) III only
C) both I and III
D) I only

Question 738

Cost is equal to markup plus selling price.
A) True
B) False

Question 739

When opening a checking account, the authorized signer(s) must sign a check stub, which is kept on record at the bank.
A) True
B) False

Question 740

$7.0184
A) $7.018
B) $7.01
C) $7.02
D) $7.12

Question 741

Bonds repay the face value in a lump sum in the future.
A) True
B) False

Question 742

If a company is deemed to be bankrupt, the stockholders’ claims have priority over the bondholders’ claims.
A) True
B) False

Question 743

Cost = $99.49; Rate of markup based on cost = 32%. Find the markup and selling price.
A) Markup: $31.84
   Selling price: $131.33
B) Markup: $31.49
   Selling price: $230.98
C) Markup: $310.91
   Selling price: $410.40
D) Markup: $32.00
| Question 744 | In a non-interest-bearing note, the maturity value of the note is the same dollar amount as the face value or principal.  
A) True  
B) False  
| --- | --- |
| Question 745 | End-of-year book value is:  
A) the previous year's end-of-year book value minus the current year's depreciation  
B) all are appropriate references to end-of-year book value  
C) total cost minus accumulated depreciation  
D) figured differently depending on which year it is in the depreciation schedule  
| Question 746 | 18% of a circle graph is shown by a section of:  
A) 36 degrees  
B) 48 degrees  
C) 18 degrees  
D) 64.8 degrees  
| Question 747 | Round 67,714 to hundreds.  
A) 67,700  
B) 67,600  
C) 67,710  
D) 67,800  
| Question 748 | Which of the following piecework rates rewards employees for additional production?  
A) both differential and escalating piecework rate  
B) escalating piecework rate  
C) differential piecework rate  
D) straight piecework rate  
| Question 749 | To find the cost of a product, you can use the formula markup plus selling price equals cost.  
A) True  
B) False  
| Question 750 | Which of the following statements is incorrect?  
A) A circle graph contains 360 degrees.  
B) The mode is a statistical measurement that records value that occurs the most in a data set.  
C) The line graph and bar graph are identical.  
D) Using only the statistical mean could result in distortions.  
| Question 751 | Markup represents the amount of the selling price needed to cover operating expenses and overhead.  
A) True  
B) False  
Question 752

Central Airlines offers a trade discount series of 30/35/10 for frequent flyers. If a round-trip airline ticket is $683, what is the net price? Use the net decimal equivalent to find the net price.
A) $403.31
B) $512.25
C) $170.75
D) $279.69

Question 753

The amount of a department's sales divided by total floor space yields a rate that can be used to assign overhead by department.
A) True
B) False

Question 754

The Sports Shoppe is buying baseball t-shirts. The cost of the shirts, which includes permission fees, will be $11.44 each if 1000 shirts are purchased. Jamie sells 800 shirts before the baseball season begins at a 50% markup based on cost. What is the gross margin (markup) if Jamie sells the remaining 200 shirts at a 25% reduction from the selling price?
A) $11,154
B) $4862
C) $3575
D) $16,302

Question 755

The amount of your earnings remaining after all deductions is called gross pay.
A) True
B) False

Question 756

The payments for an annuity due are made:
A) every month
B) annually
C) at the beginning of the period
D) at the end of the period

Question 757

A bakery sold 28 pies for $2.72 each. What was the total amount of the sale?
A) $76.16
B) $76.17
C) $76.26
D) $77.26

Question 758

The refund fraction is the sum of the number of months remaining divided by the sum of the number of months of the loan.
A) True
B) False

Question 759

$9.25499
A) $9.24
B) $9.255
Question 760

Find the exact time of a loan made on July 6 and due on January 26.
A) 197 days  
B) 202 days  
C) 204 days  
D) 185 days  

Question 761

All land can be depreciated.
A) True  
B) False  

Question 762

In order to determine the future value when compounding interest, you cannot use tables.
A) True  
B) False  

Question 763

Westminster Office Machines allocates its overhead of $868,553 by the sales of each product. Find the overhead for each department.

<table>
<thead>
<tr>
<th>Department</th>
<th>Items Sold</th>
<th>Item Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copiers</td>
<td>110</td>
<td>$812</td>
</tr>
<tr>
<td>Printers</td>
<td>120</td>
<td>$520</td>
</tr>
<tr>
<td>Fax machines</td>
<td>170</td>
<td>$540</td>
</tr>
<tr>
<td>Computers</td>
<td>170</td>
<td>$579</td>
</tr>
</tbody>
</table>

A) $226,873 for copiers  
$62,400 for printers  
$68,850 for fax machines  
$250,012 for computers  
B) $226,873 for copiers  
$158,496 for printers  
$233,172 for fax machines  
$250,012 for computers  
C) $89,320 for copiers  
$62,400 for printers  
$91,800 for fax machines  
$98,430 for computers  

Question 764

Last week Fred found roundtrip airfare to Dublin, Ireland for six hundred dollars and sixteen cents. Write the digits of the cost of airfare.
A) $60.16  
B) $0.616  
C) $616.00  
D) $600.16  

Question 765

An annuity established at compound interest over a period of time to pay off a financial obligation is called present value.
A) True  
B) False  

Question 766
Find the beginning of year NAV for ASCPX which has a current net asset value of $4.84 and YTD % Return of 1.4%. Round to the nearest cent.
A) $4.91
B) $4.77
C) $2.02
D) $3.46

Question 767

When interest on an investment is calculated more than once a year, this is known as simple interest.
A) True
B) False

Question 768

When applying the standard order of operations to a series of operations, which of the following operations would you perform first?
A) multiplication
B) addition
C) any operation inside parentheses
D) division

Question 769

Find the cost of goods sold.
55 units are in the ending inventory.
Beginning inventory: 35 units at $6.10
June: 45 units at $6.95
August: 30 units at $7.26
A) $352
B) $744
C) $353
D) $372

Question 770

The net price of a product is:
A) net price minus trade discount
B) list price minus trade discount
C) list price times single discount rate
D) list price plus trade discount

Question 771

Find the range for the scores: 13, 23, 60, 46, 53, 75.
A) 46
B) 62
C) 44
D) 88

Question 772

Generally accepted accounting principles (GAAP) are:
A) accepted by industry standards
B) accepted by the IRS for tax determination
C) all of these are appropriate references to GAAP
D) accepted by the IRS for reporting standards

Question 773

On September 1, the unpaid balance in an account was $132. On September 6, a payment of $50 was made. The interest rate per month was 1.5% per month of the average daily balance. Find the finance charge for the month of September.
### Question 774
The Montgomerys borrowed $100,000 at 7.50% for 30 years to purchase a house. Find the total interest the Montgomerys will pay if they pay the loan on schedule.

<table>
<thead>
<tr>
<th>Option</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>$1.38</td>
</tr>
<tr>
<td>B)</td>
<td>$1.23</td>
</tr>
<tr>
<td>C)</td>
<td>$3.21</td>
</tr>
<tr>
<td>D)</td>
<td>$1.31</td>
</tr>
</tbody>
</table>


### Question 775
A fraction that shows what portion of the total finance charge has not been paid at the time a loan is paid off is called the:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) refund fraction</td>
<td></td>
</tr>
<tr>
<td>B) constant ratio</td>
<td></td>
</tr>
<tr>
<td>C) finance rebate</td>
<td></td>
</tr>
<tr>
<td>D) pay-off ratio</td>
<td></td>
</tr>
</tbody>
</table>


### Question 776
The total cost of an asset is:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) original cost minus salvage value</td>
<td></td>
</tr>
<tr>
<td>B) original cost plus shipping and installation charges minus salvage value</td>
<td></td>
</tr>
<tr>
<td>C) original cost plus salvage value</td>
<td></td>
</tr>
<tr>
<td>D) original cost plus shipping and installation charges</td>
<td></td>
</tr>
</tbody>
</table>


### Question 777
A 100% price increase means that the price ________.

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>increases by half the original price</td>
</tr>
<tr>
<td>B)</td>
<td>doesn't change</td>
</tr>
<tr>
<td>C)</td>
<td>doubles</td>
</tr>
<tr>
<td>D)</td>
<td>triples</td>
</tr>
</tbody>
</table>


### Question 778
The premium amount of an insurance policy is the amount of insurance provided by the policy.

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>True</td>
</tr>
<tr>
<td>B)</td>
<td>False</td>
</tr>
</tbody>
</table>


### Question 779
A preprinted check number is required on all checks.

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>True</td>
</tr>
<tr>
<td>B)</td>
<td>False</td>
</tr>
</tbody>
</table>


### Question 780
Which of the following would be best used to demonstrate sales trends:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>circle graph</td>
</tr>
<tr>
<td>B)</td>
<td>line graph</td>
</tr>
<tr>
<td>C)</td>
<td>bar graph</td>
</tr>
<tr>
<td>D)</td>
<td>frequency distribution</td>
</tr>
</tbody>
</table>

Question 781

Sums are numbers added together.
A) True
B) False

Question 782

A computerized inventory process that adjusts inventory for each purchase or sale is called a periodic inventory system.
A) True
B) False

Question 783

To find the new amount directly in percent problems:
A) for decreases: multiply (100% - rate of increase) x base
B) for increases: multiply (100% + rate of increase) x base
C) all of these are correct
D) new amount = rate of new amount x original amount

Question 784

If the product of two numbers is 1, they are said to be:
A) mixed numbers.
B) quotients.
C) unequal.
D) reciprocals.

Question 785

The circle graph below gives the number of students in the residence halls at the state university.

155
125285115130
185

Which residence hall has the third highest number of students?
A) Dodge
B) Carver
C) Fisher
D) Adams

Question 786

When rounding negative integers, the rules are:
A) the same as for multiplying negative integers
B) first convert the integer to a positive whole number
C) negative integers should not be rounded
D) the same as for rounding whole numbers

Question 787

Find the discount and proceeds on a $15,950.00 face-value note for 190 days if the discount rate is 9.5%.
A) Discount = $1515.25
   Proceeds = $14,434.75
B) Discount = $799.72
   Proceeds = $15,150.28
C) Discount = $788.76
   Proceeds = $15,161.24
D) Discount = $0.00
   Proceeds = $15,950.00
Question 788
The amount of earnings that will not be subject to federal income tax is called an exemption.
A) True
B) False

Question 789
The complement of 30% is 100%.
A) True
B) False

Question 790
The amount of income tax due on taxable income depends on the _________ of the taxpayer.
A) itemized deductions
B) filing status
C) number of exemptions
D) deductions

Question 791
Scrambled Electronics will finance a $247 TV set for $50 down and $34.84 a month for 6 months. How much money can you save by paying cash for
the TV set?
A) $37.96
B) $259.04
C) $12.04
D) $87.96

Question 792
An invoice dated May 18 received by Plumbing Supply indicated a balance of $9,600.00. The balance included a freight charge of $600.00. Terms of
the invoice were 2/10, 1/15, N/45. Assuming Plumbing Supply pays the bill on May 30, the amount they should pay is:
A) $9,408.00
B) $9,420.00
C) $9,510.00
D) $8,640.00

Question 793
When a business sells a note to a bank, the discount is calculated on the maturity value.
A) True
B) False

Question 794
The value of a digit is based solely upon how large it is in relation to the other numbers.
A) True
B) False

Question 795
The advantage when using ordinary interest belongs to the:
A) investor
B) both borrower and investor
C) lender
D) borrower
Question 796

Find the cost of goods sold.
24 units are in the ending inventory from the units that were purchased first.

Beginning inventory: 25 units at $32.39
March: 70 units at $29.73
June: 65 units at $36.80
August: 40 units at $21.07

A) $777.86
B) $5348.29
C) $780.52
D) $6126.15


Question 797

Markup is:
A) the selling price minus the cost
B) the selling price times (1 plus the cost)
C) the selling price plus the cost
D) the selling price divided by the cost


Question 798

Which of the following statements is correct?
A) The average daily balance is equal to the sum of the daily balances divided by the number of days in the billing cycle.
B) The average daily balance is the same as the average balance.
C) With open-end loans, an individual makes regular fixed dollar payments for a specified period of time.
D) An open-end loan disallows additional credit until the initial amount is paid off.


Question 799

John earns $10.65/hour. If he works 16 hours, how much will he earn?
A) $170.50
B) $171.50
C) $170.41
D) $170.40


Question 800

The finance charge on a loan for a $950 TV was $171 for a 12-month note with no down payment. Find the finance charge refund if the loan was paid in full at the end of 4 months.
A) $438.46
B) $21.92
C) $101.75
D) $78.92


Question 801

Which one of the following months does not have 30 days?
A) April
B) June
C) September
D) February


Question 802

To reduce a fraction to its lowest terms:
A) divide the numerator and the denominator by the same number.
B) subtract the same number from the numerator and the denominator.
C) add the same number to the numerator and the denominator.
Question 803

D) multiply the numerator and the denominator by the same number.

Question 804

136.97 ÷ 4.7  (Round to the nearest hundredths when necessary.)
A) 29.14
B) 2.96
C) 2.91
D) 29.64

Question 805

Life insurance premiums vary based upon age, gender, and other applicable factors.
A) True
B) False

Question 806

Find the discount and proceeds on a $66,900.00 face-value note for 100 days if the discount rate is 9.75%.
A) Discount = $1811.88
   Proceeds = $65,088.12
B) Discount = $1787.05
   Proceeds = $65,112.95
C) Discount = $0.00
   Proceeds = $66,900.00
D) Discount = $6522.75
   Proceeds = $60,377.25

Question 807

Which of the following is considered a long-term liability?
A) mortgages payable
B) wages payable
C) accounts payable
D) notes payable

Question 808

The amount of insurance provided by an insurance policy is called the premium.
A) True
B) False

Question 809

Gross earnings are also referred to as:
A) the amount earned before deductions
B) gross profit
C) take-home pay
D) gross margin

Question 810

The letters NSF mean Non-Savings Funds and represent the amount on deposit in your account that is available for withdrawal.
A) True
B) False

Question 811

The simple interest formula is PI = RT.
Question 811

Daniel earns $114,312 annually and is paid monthly. How much Social Security tax will be deducted from his December earnings? How much Medicare tax will be deducted from his December earnings? Assume a 4.2% FICA rate and a 1.45% Medicare rate. Round to the nearest cent.
A) Social Security tax = $2231.90
   Medicare tax = $1381.27
B) Social Security tax = $22.32
   Medicare tax = $13.81
C) Social Security tax = $223.19
   Medicare tax = $138.13
D) Social Security tax = $224.19
   Medicare tax = $139.13

Question 812

A number decreased from 50 to 44. Find the percent of decrease.
A) 6%
B) 13%
C) 13.6%
D) 12%

Question 813

On June 1, the unpaid balance in an account was $119. On June 15, a payment of $20 was made. The interest rate per month was 1.5% per month of the average daily balance. Find the new balance at the end of June.
A) $100.63
B) $100.50
C) $115.25
D) $100.58

Question 814

Which of the following statements is not correct regarding the sum-of-the-year's digits depreciation method?
A) the final year's end-of-year book value equals the salvage value
B) after the first year, each year's depreciation is a decreasing amount
C) it allows the greatest depreciation during the first year
D) after the first year, each year's depreciation is exactly the same

Question 815

The total cost of an item is the original cost minus the depreciation.
A) True
B) False

Question 816

In a simple discounted note, the face value and the maturity value are the same amount.
A) True
B) False

Question 817

Annuities are not offered by insurance companies.
A) True
B) False
Question 818
The list price of a car is $8760. It is available at either a 10/20/5 or a 35/30 trade discount series. Which trade discount series gives the better deal? By how much?
A) 10/20/5, $2006.04
B) 35/30, $2628.00
C) 35/30, $2006.04
D) 10/20/5, $2628.00

Question 819
Rob Schneider is married and files separately from his spouse on his tax return. His taxable income is $36,339. How much tax does he owe?
A) $5219
B) $5206
C) $5231
D) $5194

Question 820
After fractions have been added, subtracted, multiplied, or divided, the fraction in the answer should be increased to its highest terms.
A) True
B) False

Question 821
When you use exact time, the duration of a loan that is dated June 8 and is due November 23 is 166 days.
A) True
B) False

Question 822
What you do to one side of an equation, you must do to the other.
A) True
B) False

Question 823
The rate used in the table for calculating compound interest is found by:
A) dividing the annual rate by 2
B) multiplying the rate times the number of periods
C) multiplying the rate times the number of compounding periods per year
D) dividing the annual rate by the number of compounding periods per year

Question 824
The retail method is an estimate that is based on what it cost to buy goods and what those goods will sell for.
A) True
B) False

Question 825
0.067
A) sixty-seven thousandths
B) sixty-seven hundredths
C) sixty-seven ten-thousandths
D) sixty-seven hundred-thousandths

Question 826
Question 827

The formula for calculating depreciation using the straight-line method is cost minus salvage value divided by the number of years of expected life.
A) True
B) False

Question 828

Term life insurance premiums are paid for a fixed period of time.
A) True
B) False

Question 829

An item has a 8.2% markup based on selling price. What is the equivalent markup percent based on the cost?
A) 7.6%
B) 91.1%
C) 8.9%
D) 92.4%

Question 830

The payee of a check is the person who writes it.
A) True
B) False

Question 831

The average daily balance is equal to the sum of the daily balances divided by the number of days in the billing cycle.
A) True
B) False

Question 832

Eighty million, three hundred two thousand, eight hundred eighty-five.
A) 80,000,302,885
B) 8,302,885
C) 80,302,885
D) 83,002,885

Question 833

If a business receives a promissory note as payment for the sale of goods and in turn sells the note to a bank, it is called discounting a note.
A) True
B) False

Question 834

Find the maturity value on a $7480 face-value note for 226 days if the discount rate is 12%.
A) $7535.58
B) $8043.49
C) $8051.43
D) $6916.51
Question 835

In the problem statement “the difference between Y and 17 is 22,” the word “difference” indicates:
A) addition
B) division
C) subtraction
D) multiplication

Question 836

The difference between your checkbook balance and the bank statement balance is due primarily to fraud.
A) True
B) False

Question 837

An example of the use of a sinking fund would be to accumulate a sum of money to modernize equipment.
A) True
B) False

Question 838

The first step in using the weighted average method is to find the:
A) beginning inventory
B) average unit cost
C) cost of goods sold
D) cost of goods available for sale

Question 839

To convert a decimal to a percent, move the decimal point ________ place(s) to the ________.
A) 2, right
B) 1, left
C) 1, right
D) 2, left

Question 840

Find the tax rate expressed as tax per $1.00 of assessed value in a municipality that has budgeted expenses of $5,660,000 and has property assessed at $404,960,000.
A) 7.16 cents per $1.00 assessed value
B) 71.55 cents per $1.00 assessed value
C) 0.14 cents per $1.00 assessed value
D) 1.40 cents per $1.00 assessed value

Question 841

Andrea Bach earned $3049 last year. Her employer’s SUTA tax rate is 5.4% of the first $7000. How much SUTA tax must Andrea’s company pay for her?
A) $152.45
B) $170.74
C) $158.55
D) $164.65

Question 842

The value of an asset at the end of its estimated life is known as:
A) salvage value
B) original cost
C) total cost
D) accumulated depreciation

**Question 843**

Fifty-four billion, two hundred two thousand.
A) 54,202,000
B) 54,202,000,000
C) 54,000,202
D) 54,000,202,000

**Question 844**

An invoice dated June 29, for $1,678.25, with credit terms of 3/10, EOM is received by Bailey, Inc. The last day a discount can be taken is:
A) Aug 31
B) Aug 10
C) July 31
D) July 6

**Question 845**

Satoru Shikasho has a simple discount note for $15,000 at an ordinary bank discount rate of 13.5%, for 140 days. What is the effective interest rate? Round to the nearest hundredth of a percent.
A) 8.31%
B) 5.54%
C) 18.75%
D) 14.25%

**Question 846**

Barbara knows that she will need to buy a new car in 4 years. The car will cost $15,000 by then. How much should she invest now at 6%, compounded quarterly, so that she will have enough to buy a new car?
A) $11,208.87
B) $13,327.31
C) $12,594.29
D) $11,820.45

**Question 847**

A method of estimating inventory for interim reports or for insurance claims is the _________.
A) retail method
B) LIFO method
C) gross profit method
D) weighted-average method

**Question 848**

The federal government sells bonds that are called treasury bonds.
A) True
B) False

**Question 849**

In the reconciliation process, a note collected by the bank should be:
A) added to the bank statement balance
B) deducted from the register balance
C) added to the register balance
D) deducted from the bank statement balance
Question 850
Christine is currently taking college astronomy. The instructor often gives quizzes. On the past seven quizzes, Christine got the following scores. Find the standard deviation.
53124129184257
A) 41
B) 10,812
C) 9072
D) 17

Question 851
The installment price of a food processor is $379.48 with 18 monthly payments and a down payment of $40. Find the monthly payment.
A) $0.52
B) $18.86
C) $39.48
D) $339.48

Question 852
The exact number of days of a loan made on March 10 and due November 30 is:
A) 265
B) 365
C) 260
D) 264

Question 853
A record store downtown is offering 4% off all purchases for the month of December. Write this percent as a decimal.
A) 0.04%
B) 4
C) 0.04
D) 0.4

Question 854
Jeff earns $328 per day. If his salary is raised by 3%, how much will he make per day?
A) $334.56
B) $426.40
C) $337.84
D) $341.12

Question 855
A share of stock represents ________ in a company.
A) dividends
B) earnings
C) ownership
D) debt

Question 856
The amount of markdown divided by the original selling price is the markdown percent.
A) True
B) False

Question 857
A low inventory turnover rate may indicate insufficient inventory that could result in the condition of being "out of stock."
Question 858

Murry, a retailer, marks up hardware 28% on the selling price. If an electric saw costs $324.00, the selling price would be $414.72.
A) True
B) False

Question 859

If a bond's interest payments are low in comparison to other similar investments, the bond could sell at a discount.
A) True
B) False

Question 860

The sole purpose of the W-4 is to compute Federal Withholding Tax.
A) True
B) False

Question 861

Gross profit includes:
A) both operating expenses and overhead
B) operating expenses
C) markdown
D) overhead

Question 862

The circle graph below gives the inventory of the women's department of a store.

- Coats: $30,120
- Dresses: $28,112
- Lingerie: $3012
- Skirts: $5522
- Slacks: $10,040
- Socks: $4016
- Blouses: $2008

In which item of apparel does the store have the smallest investment?
A) Lingerie
B) Skirts
C) Coats
D) Socks

Question 863

Adding the values in a set of numbers and then dividing the sum by the number of members in the set results in the:
A) mode
B) mean
C) median
D) range

Question 864

The person or entity receiving the coverage under an insurance policy is called the beneficiary.
A) True
B) False
<table>
<thead>
<tr>
<th>Question 865</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time is considered ordinary when each month is assumed to have 30 days.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 866</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hillcrest Medical Center has a severe shortage of nurses. The hospital decided to give a hiring bonus of 25% of the annual average salary. The average salary for nurses was $34,000. The hiring bonus was $8,500.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 867</th>
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</thead>
<tbody>
<tr>
<td>An employee who is paid a base salary plus a commission on sales is said to be on an escalating piece rate.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 868</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the sum-of-year digits method, the combined value of the numerator factors equals the numerical value of the denominator.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 869</th>
</tr>
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<tbody>
<tr>
<td>Two numbers are _________ if their product is 1 after being multiplied.</td>
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<table>
<thead>
<tr>
<th>Question 870</th>
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</thead>
<tbody>
<tr>
<td>21 months</td>
</tr>
<tr>
<td>A) 1.91 years</td>
</tr>
<tr>
<td>B) 252 years</td>
</tr>
<tr>
<td>C) 2.1 years</td>
</tr>
<tr>
<td>D) 1.75 years</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 871</th>
</tr>
</thead>
<tbody>
<tr>
<td>A set of speakers that costs $91 sells for a 25% markup based on the cost. What is the markup of the speakers?</td>
</tr>
<tr>
<td>A) $72.80</td>
</tr>
<tr>
<td>B) $22.75</td>
</tr>
<tr>
<td>C) $364.00</td>
</tr>
<tr>
<td>D) $113.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 872</th>
</tr>
</thead>
<tbody>
<tr>
<td>The assessed value is equal to the estimated market value of property.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 873</th>
</tr>
</thead>
<tbody>
<tr>
<td>A loan is made on August 15 and has a due date of April 30 during a non-leap year. Find the exact time of the loan.</td>
</tr>
<tr>
<td>A) 289 days</td>
</tr>
<tr>
<td>B) 258 days</td>
</tr>
<tr>
<td>C) 158 days</td>
</tr>
<tr>
<td>D) 257 days</td>
</tr>
</tbody>
</table>
Question 874

The percent markup on the selling price is equal to the amount of markup divided by the selling price.

A) True
B) False

Answer: A) True

Question 875

An invoice for computer parts totals $519, including $5.29 for shipping. The terms are 4/10, n/45. If this invoice is paid within 10 days, find the amount paid. The invoice was marked freight prepay and add.

A) $513.71
B) $498.45
C) $462.34
D) $498.24

Answer: A) $513.71

Question 876

Complete a vertical analysis on the balance sheet for Jake's Janitorial Service for December 31 of last year. The company assets are cash $20,000, accounts receivable $48,000, merchandise inventory $89,000, and equipment $82,000. The liabilities are accounts payable $13,000, wages payable $16,000, and mortgage note payable $77,000. The owner's capital is $133,000.

A) Jake's Janitorial Service Balance Sheet
Cash: 8.4%
Accounts receivable: 20.1%
Merchandise inventory: 37.2%
Equipment: 34.3%
Total assets: 100%

Accounts payable: 5.4%
Wages payable: 6.7%
Mortgage note payable: 72.6%
Total liabilities: 44.4%
Jake's capital: 55.6%
Total liabilities and owner's equity: 100%

B) Jake's Janitorial Service Balance Sheet
Cash: 8.4%
Accounts receivable: 20.1%
Merchandise inventory: 37.2%
Equipment: 34.3%
Total assets: 100%

Accounts payable: 12.3%
Wages payable: 15.1%
Mortgage note payable: 72.6%
Total liabilities: 100%
Jake's capital: 55.6%
Total liabilities and owner's equity: 100%

C) Jake's Janitorial Service Balance Sheet
Cash: 8.4%
Accounts receivable: 20.1%
Merchandise inventory: 37.2%
Equipment: 34.3%
Total assets: 100%

Accounts payable: 12.3%
Wages payable: 15.1%
Mortgage note payable: 72.6%
Total liabilities: 100%
Jake's capital: 55.6%
Total liabilities and owner's equity: 100%

D) Jake's Janitorial Service Balance Sheet
Cash: 8.4%
Accounts receivable: 20.1%
Merchandise inventory: 37.2%
Equipment: 34.3%
Question 877

Failure to indent the product is a common mistake in multiplication.
A) True
B) False

Question 878

The money declared by the Board of Directors to be distributed to the shareholders is know as a(n):
A) dividend
B) profit
C) point
D) yield

Question 879

The compounding table for one dollar can be used to determine the effective rate.
A) True
B) False

Question 880

To change an improper fraction into a whole or mixed number, you need only divide the denominator by the numerator.
A) True
B) False

Question 881

The value of a digit, in a number, is based on its position.
A) True
B) False

Question 882

The enrollment at a community college is 52% males. If the total enrollment is 3720 students, how many females are enrolled? Round to the nearest whole number.
A) 1934 females
B) 1786 females
C) 1836 females
D) 1903 females

Question 883

A trade discount is the amount deducted from the list price by the:
A) retailer
B) both manufacturer and wholesaler
C) wholesaler
D) manufacturer

Question 884
$670 at 2% compounded annually for 19 years

A) $956.92  
B) $911.20  
C) $924.60  
D) $976.06  

**Question 885**

Which of the following is not commonly associated with a bond issue?

A) a fixed rate of interest per year  
B) face value or par value  
C) a variable rate of interest per year  
D) date of repayment or maturity date  

**Question 886**

A proper fraction has a value greater than 1.

A) True  
B) False  

**Question 887**

Performing systematic operations so that the variable is alone on one side of an equation is known as:

A) offsetting the variable  
B) an offset with new variables  
C) isolating the variable  
D) a change to new variables  

**Question 888**

Find the range for the number of hours worked one week by part-time employees: 12, 17, 16, 29, 33, 15.

A) 21 hours  
B) 13 hours  
C) 23 hours  
D) 45 hours  

**Question 889**

The employer is required to match the amount withheld from an employee's paycheck for Social Security tax and Medicare tax.

A) True  
B) False  

**Question 890**

The person to whom the proceeds of an insurance policy are payable is called the:

A) policyholder  
B) insurer  
C) beneficiary  
D) insured  

**Question 891**

An accounts payable officer received a bill for $3010, dated July 9, with sales terms 4/10, n/30. Find the cash discount and amount due if the bill was paid July 29.

A) Cash discount: $0; net amount: $3010  
B) Cash discount: $30.10; net amount: $2979.90  
C) Cash discount: $120.40; net amount: $2889.60  
D) Cash discount: $301.00; net amount: $2709.00  
Question 892

An invoice dated June 28, to be paid in 70 days, is due on:
A) September 5
B) September 4
C) September 7
D) September 6

Question 893

Which of the following asset types is not depreciated?
A) office equipment
B) land
C) vehicles
D) buildings

Question 894

$0.08 + $107.28 + $9.42
A) $117.78
B) $116.78
C) $116.68
D) $117.68

Question 895

The amount of Social Security tax and Medicare tax can change from year to year.
A) True
B) False

Question 896

Find the exact interest on a loan of $1100 at 8% annually for 155 days.
A) $37.89
B) $3.79
C) $37.37
D) $3.74

Question 897

The specific identification method is best suited for companies whose inventory items have high costs and sales volumes are relatively low.
A) True
B) False

Question 898

Markup is also referred to as:
A) both gross profit and gross margin
B) gross margin
C) price differential
D) gross profit

Question 899

With exact time, in a non-leap year, the duration of a loan dated January 23 and due to be paid April 12 is 80 days.
A) True
B) False
Question 900

The markup on an external hard drive is $22. Find the cost of the hard drive if the markup is 20% of the cost.
A) $18.33
B) $4.40
C) $110.00
D) $26.40

Question 901

Comprehensive insurance protects the owner of a vehicle that is in an accident resulting in personal injury or property damage.
A) True
B) False

Question 902

When MACRS is used to depreciate an asset, the salvage value is treated as income when the asset is sold.
A) True
B) False

Question 903

A woman has $2.65 in dimes and nickels. She has 10 more dimes than nickels. How many nickels does she have?
A) 11
B) 32
C) 13
D) 21

Question 904

The retail method is a way of estimating the cost of ending inventory when it is not possible to take a physical count.
A) True
B) False

Question 905

Determine the unit costs for units in the ending inventory.
71 units are in the ending inventory from the units that were purchased first.
Beginning inventory: 90 units at $31.45
March 8: 70 units at $26.61
June 10: 65 units at $38.46
August 12: 40 units at $20.46
A) First purchases: 40 units @ $31.45 per unit
B) First purchases: 71 units @ $31.45 per unit
C) First purchases: 71 units @ $26.61 per unit
D) First purchases: 71 units @ $20.46 per unit

Question 906

A ________ includes a variety of types of investments.
A) stock issue
B) diversity fund
C) portfolio
D) bond issue

Question 907

The insurance company or carrier that assures payments for a specific loss according to contract provisions is known as the policyholder.
A) True
Question 908
A commission is the amount paid to a broker for services rendered in the buying and selling of stock.
A) True
B) False

Question 909
Life insurance provides financial assistance to the surviving dependents of the insured person.
A) True
B) False

Question 910
The difference between the installment price of an item and the cash price is the down payment.
A) True
B) False

Question 911
In a bank statement reconciliation, which of the following should be added to the bank statement balance?
A) collection of a note by the bank
B) outstanding deposits
C) bank service charge
D) outstanding checks

Question 912
Point-of-sale transactions are examples of electronic funds transfers.
A) True
B) False

Question 913
A(n) _________ is a promise to repay money at a specific date in the future and to pay interest annually or semiannually.
A) indenture
B) cumulative
C) bond
D) stock

Question 914
Simple interest is often used when a loan is repaid in a lump sum.
A) True
B) False

Question 915
The property tax rate that is paid for owning property may be expressed:
A) all of these are appropriate expressions of the property tax rate
B) in mills
C) as an amount of tax per $1,000 of assessed value
D) as a percent of the assessed value

Question 916
This group is paid first when a company declares a dividend.
Question 917

X divided by Y is represented by:
A) X/Y
B) XY
C) X + Y
D) X:Y

Question 918

Liability insurance protects the insured's vehicle against damage caused by fire, theft, vandalism, etc.
A) True
B) False

Question 919

The average cost method uses a ratio that compares the cost of goods available for sale at cost and at the selling price.
A) True
B) False

Question 920

Before you can add or subtract fractions, they must have the same denominators.
A) True
B) False

Question 921

Find the total amount of money (maturity value) that the borrower will pay back on a loan of $3429 at 14% annual simple interest for 2.8 years.
A) $4136.46
B) $4773.17
C) $4725.16
D) $5253.23

Question 922

When calculating a trade discount, the difference between 100% and the percent of the discount is called the:
A) trade discount
B) complement
C) net price
D) cash discount

Question 923

The need for tellers has been completely eliminated by ATMs.
A) True
B) False

Question 924

The cost of goods sold is equal to the cost of goods available for sale minus the beginning inventory.
A) True
B) False
Question 925

Upon receipt of your bank statement you should first check for letter codes or symbols and for any transactions that you do not have a record of or do not understand.
A) True
B) False

Question 926

The primary purpose for levying an excise tax is to:
A) raise revenue
B) both raise revenue and discourage a particular behavior
C) stop illegal immigration
D) discourage a particular behavior

Question 927

F.C. Industries has a list price of $16,500.00 for its product. A trade discount of 18% is offered. Based on this information, the net price would be $2,970.00.
A) True
B) False

Question 928

Interest rates on mortgages may vary from bank to bank.
A) True
B) False

Question 929

\[-86,800 \div 62\]
A) -$1405
B) -$1390
C) -$1410
D) -$1400

Question 930

The modified accelerated cost-recovery system (MACRS) is characterized by:
A) the length of time over which an asset can be depreciated is determined by the property class
B) all of these apply to MACRS
C) it consists of the general depreciation system and the alternative depreciation system
D) it was implemented for property placed in service after 1986

Question 931

Term insurance is purchased for a certain period of time and in order to collect under the provisions of the policy the insured must live longer than the term.
A) True
B) False

Question 932

October 27 is 40 days from December 6.
A) True
B) False

Question 933
Amar makes $4.25 for each chimney he sweeps. Find his gross earnings if he sweeps 12 chimneys.

A) $59.50  
B) $42.50  
C) $16.25  
D) $51.00  

Question 934

Present value can be found by dividing the future value by 1 plus the interest rate converted to a decimal.

A) True  
B) False  

Question 935

After multiplying decimals, count the total number of decimal digits to the right of the decimal points in the factors to determine the placement of the decimal point in the product.

A) True  
B) False  

Question 936

The primary difference between simple interest and compound interest is that:

A) only compound interest is used to solve for a maturity value  
B) only compound interest can be solved using a formula  
C) simple interest is not concerned with a future value  
D) compound interest involves more than one interest period

Question 937

Variables are always represented by the letters A, B, or C.

A) True  
B) False  

Question 938

The AES Corporation has $2,277,000 to distribute its dividends and did not distribute dividends the previous year. There are 95,000 shares of cumulative preferred stock that earn dividends at $0.68 per share and 193,000 shares of common stock. How much money goes to preferred stockholders?

A) $262,480.00  
B) $129,200.00  
C) $131,240.00  
D) $64,600.00  

Question 939

If the answer in division does not come out evenly, the difference is called the:

A) remainder  
B) divisor  
C) quotient  
D) dividend

Question 940

\[ 7.745 \div 7.1 \] (Round to the nearest hundredths when necessary.)

A) 0.16  
B) 0.11  
C) 1.59  
D) 1.09  
Question 941

Frequency is represented by the height of a bar chart.
A) True
B) False

Question 942

7N - 8 = 34
A) N = 35
B) N = 12
C) N = 6
D) N = 39

Question 943

The word "difference" in a problem generally means to use division to find the unknown value.
A) True
B) False

Question 944

Four people are injured in an auto accident, and each requires $24,000 for medical care. The driver has 100/300/100 vehicle insurance. Find the amount that the insurance company must pay and the amount that the insured must pay.
A) $300,000, $4,000
B) $0, $72,000
C) $96,000, $0
D) $100,000, $4,000

Question 945

In an equation, unknown quantities are represented by letters and known quantities by numbers.
A) True
B) False

Question 946

If a bondholder is listed with the issuing corporation as a bond owner, the bondholder is said to own registered bonds.
A) True
B) False

Question 947

Today, most employees that are covered by a company-sponsored pension plan, are covered by a:
A) defined benefit plan
B) individual retirement arrangement
C) defined contribution plan
D) Roth IRA

Question 948

A number that describes numerical data is a statistic.
A) True
B) False

Question 949

Interest compounding:
A) calculates the present when the future is known
Question 950

_________ is used when a loan is repaid in a lump sum.
A) Compound interest
B) Simple interest
C) Maturity discount
D) Simple discount

Question 951

The classification "head of household" is an example of a taxpayer's filing status.
A) True
B) False

Question 952

A number increased from 25 to 35. Find the percent of increase.
A) 10%
B) 60%
C) 28.6%
D) 40%

Question 953

Jorge makes a simple discount note with a face value of $6000.00, a term of 240 days, and a 10% discount rate. Find the discount.
A) Discount: $0.00
B) Discount: $400.00
C) Discount: $600.00
D) Discount: $394.52

Question 954

The number of days, months, or years for which money is borrowed is known as:
A) time
B) rate
C) discount
D) principal

Question 955

Which of the following credit score classifications have an adverse affect on renters insurance premiums?
I. good
II. occasional payments past 30 days
III. judgments, collection, bankruptcy
A) III only
B) II only
C) I only
D) both II and III

Question 956

The finance charge on a loan is equal to the total of the monthly payments:
A) multiplied by the amount financed
B) divided by the amount financed
C) plus the amount financed
D) less the amount financed
Question 957
To write a fraction as a decimal:
A) divide the quotient by the numerator
B) divide the numerator by the denominator
C) divide the numerator by the quotient
D) multiply the reciprocal by the fraction

Question 958
The method used to calculate the net price when you do not want/need to know the trade discount is called the single discount method.
A) True
B) False

Question 959
Find the sales tax on an item costing $24.51 if the tax rate is 5.5%.
A) $1.10
B) $13.48
C) $1.59
D) $1.35

Question 960
Find the range for the number of pounds lost by participants in a weight loss program:
10, 19, 15, 20, 26, 15.
A) 16 pounds
B) 36 pounds
C) 15 pounds
D) 18 pounds

Question 961
Which of the following is not an example of the use of a sinking fund?
A) pay for equipment replacement
B) pay for a new factory
C) retire bonds
D) pay an installment loan

Question 962
Monthly payments are the fastest way to pay off a home mortgage.
A) True
B) False

Question 963
Sandra deposits $3000 at the beginning of each semiannual period for 14 years at 8% interest compounded semiannually. Find the amount she will have on deposit.
A) $155,900.16
B) $78,456.34
C) $146,902.75
D) $138,252.64

Question 964
The reciprocal is used:
A) to replace the cancellation method
Question 965

When solving an equation with a parenthetic expression, the first step is to remove the parentheses by multiplying each term within the parentheses by the number to the left of the parentheses.

A) True
B) False


Question 966

When calculating ordinary interest, the denominator of the time fraction is 360 days.

A) True
B) False


Question 967

Which of the following statements is true regarding a sinking fund?
I. it is used to accumulate money by the end of a certain period of time to pay off a financial obligation
II. it is a payment into an ordinary annuity to yield a desired future value

A) both I and II
B) II only
C) neither I nor II
D) I only


Question 968

A markdown represents a price increase from the original selling price.

A) True
B) False

Answer: https://biology-forums.com/index.php?topic=295725

Question 969

Original price $1489.00; markdown $163.79. Find the reduced price and the rate of the markdown.

A) Reduced (new) price = $1325.21
Rate of markdown = 89%
B) Reduced (new) price = $1652.79
Rate of markdown = 11%
C) Reduced (new) price = $1325.21
Rate of markdown = 11%
D) Reduced (new) price = $163.79
Rate of markdown = 89%

Answer: https://biology-forums.com/index.php?topic=295720

Question 970

A director of accounts received a bill for $1319, dated July 10, with sales terms 3/10 EOM. Find the cash discount and amount due if the bill was paid August 30.

A) Cash discount: $131.90; net amount: $1187.10
B) Cash discount: $0; net amount: $1319
C) Cash discount: $39.57; net amount: $1279.43
D) Cash discount: $13.19; net amount: $1305.81


Question 971

What is the current ratio for Brinks, Inc., which has current assets of $136,677 and current liabilities of $104,628? Round to two decimal places.

A) 0.31 to 1
B) 0.77 to 1
C) 0.23 to 1
Question 972
When creating a grouped frequency distribution, each class interval:
A) will always have different tallies
B) will have the same mean
C) should be created appropriately, given the data set
D) will have the same number of tallies

Question 973
Larissa Dalton earns $7614.27 semimonthly, is married, and claims 7 withholding allowances. Find her net earnings for this pay period. FICA tax is 4.2% and Medicare tax is 1.45%.
A) $6396.34
B) $5966.13
C) $7184.06
D) $8401.99

Question 974
In one company, three out of every ten employees use all their sick time. What percent use all their sick time?
A) 30%
B) 70%
C) 3%
D) 7%

Question 975
The total cost of an installment purchase is equal to the number of payments times the amount of each payment minus the down payment.
A) True
B) False

Question 976
When rounding to a specified decimal place:
A) if the digit is 5 or more, add 1 to the digit in the specified place, and eliminate all digits to the right
B) if the digit is less than 5, eliminate it and all digits to the right
C) all of these
D) find the digit in the specified place, then look at the next digit to the right

Question 977
A check that was outstanding in a previous month’s bank reconciliation was again not included in the canceled checks returned by the bank. When reconciling the statement this month, the amount of the check should be:
A) added to the book balance of cash
B) added to the bank statement balance
C) deducted from the bank statement balance
D) deducted from the book balance of cash

Question 978
Rounding can be used to approximate a (an):
A) decimal number
B) all of these
C) whole number
D) integer
Question 979
The current ratio is calculated by dividing the current liabilities by the current assets.
A) True
B) False

Question 980
Loans with a specific number of payments made on a regular basis are called installment loans.
A) True
B) False

Question 981
$78.21 - $28.00
A) $50.71
B) $50.31
C) $50.21
D) $106.21

Question 982
Maur-Char Importers received an invoice dated August 16 in the amount of $350.50. The credit terms were 3/10, N/30. A partial payment of $200.00 was made on August 26 and the balance was paid on September 15. Assuming a late charge of 5%, the final amount due was:
A) $150.50
B) $151.53
C) $156.50
D) $144.31

Question 983
To divide by a fraction, _________ the dividend by the _________ of the divisor.

Question 984
The Oak House had a markup of $24.87 on an oak table that they sold for $88.99. Find the cost and the percent of markup.
A) $113.86, 21.8%
B) $88.99, 27.9%
C) $64.12, 27.9%
D) $64.12, 38.8%

Question 985
When looking at the problem "32 is 16% of what number?" 32 is the percentage.
A) True
B) False

Question 986
The percent markup on cost is equal to the dollar markup divided by the selling price.
A) True
B) False

Question 987
Checks that you have written, but are not listed on the bank statement, are called:
A) delayed
B) NSF
C) outstanding
Question 988

The median is the value that occurs most frequently in a group of values.

A) True
B) False


Question 989

“Interest earned on interest” is another way of saying:

A) simple interest
B) compound discount
C) compound interest
D) simple discount


Question 990

A _________ is attached to a check by perforation, and is used to record checks written and deposits made.

A) signature card
B) check stub
C) deposit slip
D) check register


Question 991

The maturity value of a transaction is equal to the principal plus the rate.

A) True
B) False


Question 992

The term of “new price” pertains to:

A) markup only
B) markdown only
C) markdowns only after sale
D) both markup and markdown


Question 993

Sales tax is sometimes not collected on the sale of food.

A) True
B) False


Question 994

The rate of inventory turnover varies according to type of merchandise.

A) True
B) False


Question 995

Employee contributions to Medicare are limited on an annual basis.

A) True
B) False


Question 996

The formula for the cost of goods sold (COGS) is:
I. found the same way for different inventory methods
II. cost of goods available for sale - cost of beginning inventory
III. cost of goods available for sale - cost of ending inventory
A) both I and III
B) I only
C) III only
D) II only

Question 997

Stock prices for a company have increased 31% during the past three months. The current stock price is $21/share. The price was $15/share 3 months ago.
A) True
B) False

Question 998

For the month ending December 31, MidState Machinery had gross sales of $4,207,000, returns of $68,800, cost of beginning inventory $502,000, cost of purchases $1,484,000, cost of ending inventory $570,000, total operating expenses $135,900. Find the net sales and cost of goods sold.
A) net sales: $4,138,200; cost of goods sold: $2,716,300
B) net sales: $4,138,200; cost of goods sold: $1,416,000
C) net sales: $4,138,200; cost of goods sold: $135,900
D) net sales: $4,207,000; cost of goods sold: $1,416,000

Question 999

Grade point average calculations are an example of using the mode.
A) True
B) False

Question 1000

FOB shipping point means the _________ pays the shipping when the shipment is _________.
A) seller, shipped
B) buyer, received
C) seller, received
D) buyer, shipped

Question 1001

A grocer sold 74 bags of potatoes for $1.44 each. What was the total amount of the sale?
A) $107.66
B) $106.66
C) $106.57
D) $106.56

Question 1002

MACRS only affects property put into use after 1986.
A) True
B) False

Question 1003

A company may change from LIFO to FIFO without notifying the Internal Revenue Service.
A) True
B) False
Question 1004

Use the MACRS method to find the depreciation for the 4th year of a paper press that is put into use at midyear as a 20-year property with a cost of $420,500.00.
A) $18,762.71
B) $25,974.29
C) $28,076.79
D) $32,378.50

Question 1005

If 600 is decreased by 14%, what is the new amount?
A) 516
B) 684
C) 586
D) 84

Question 1006

Find the P/E ratio of a corporation that reported last year's net income of $1.33 per share if the company's stock sells for $31.11 per share.
A) 24
B) 30
C) 22
D) 23

Question 1007

An annuity paid over a guaranteed number of periods is a(n):
A) ordinary annuity
B) annuity certain
C) annuity due
D) contingent annuity

Question 1008

A salaried employee is paid the same amount of money even though the hours worked may vary from pay period to pay period.
A) True
B) False

Question 1009

If an installment loan is paid in full before the maturity date, the full amount of interest on the loan must still be paid.
A) True
B) False

Question 1010

$5000 at 3% compounded annually for 10 years
A) $1350.00
B) $1500.00
C) $1523.87
D) $1719.60

Question 1011

Jake has a cable that is 50.7 feet long. He wants to cut it into pieces that are 3.9 feet long. How many 3.9-foot pieces will he get from the cable?
A) 13 pieces
B) 130 pieces
C) 14 pieces
Question 1012

0.032 ÷ 100
A) 0.0032
B) 0.00032
C) 0.32
D) 3.2

Question 1013

Which word does not share the same meaning as the other three?
A) plus
B) less
C) total
D) sum

Question 1014

When solving an equation containing more than one operation or step, you first perform addition and multiplication.
A) True
B) False

Question 1015

The Gift House pays employees for each gift they gift wrap. Yesterday Jacob wrapped 14 gifts. Find his gross daily earnings if he is paid at the following differential piece rate.
1-10 gifts $2.00 each
11-15 gifts $2.50 each
16 or more gifts $3.00 each
A) $28.00
B) $32.00
C) $30.00
D) $35.00

Question 1016

A loan made on November 29 is due on May 26. Find the exact time for the loan in a non-leap year.
A) 178 days
B) 208 days
C) 148 days
D) 177 days

Question 1017

The amount of money needed in the present to yield a desired future amount is called the compound total.
A) True
B) False

Question 1018

A discount is an amount of money that is deducted from an original price.
A) True
B) False

Question 1019

Cindy needs a $20,000 renters insurance policy and has selected the $1,000,000 liability with $500 deductible. The insurance company has
determined her credit is excellent and has given her the "good" credit rate. If she adds an endorsement to insure $4000 worth of jewelry and the options of identity theft/fraud protection and sewer/sump pump backup protection for her basement, find her annual premium.

A) $223.00  
B) $289.00  
C) $283.00  
D) $399.00


**Question 1020**

If the digit to the right of the number that you are rounding is 5 or less, round the digit up.

A) True  
B) False


**Question 1021**

Which of the following statements is correct?

A) present value concerns both the present, and future values  
B) present value may only be found using a table  
C) present value may only be found using realistic interest rate assumptions  
D) present value concerns primarily the future value


**Question 1022**

The sum of the payments of an annuity plus the interest is called the:

A) economic sum  
B) amount of the annuity  
C) financial total  
D) payoff amount


**Question 1023**

Subtract 4.269 from 10.674

A) 6.605  
B) 14.943  
C) 6.505  
D) 6.405


**Question 1024**

The basic accounting equation is:

A) assets = liabilities - owner's equity  
B) owner's equity = liabilities + assets  
C) assets = liabilities + owner's equity  
D) liabilities = assets + owner's equity


**Question 1025**

$3.77 + $0.41 + $32.01

A) $35.19  
B) $35.29  
C) $36.29  
D) $36.19


**Question 1026**

On an employee’s paycheck, after all deductions have been made the amount that remains is called:

A) net earnings  
B) deductions  
C) take-home pay  
D) either net earnings or take-home pay
Question 1027

The period interest rate is:
I. the rate for calculating interest for one interest period
II. the annual interest rate divided by the number of interest periods per year
III. calculated using the prime interest rate
A) II only
B) III only
C) I only
D) both I and II

Question 1028

Sunfresh Bakery makes Italian bread that costs $1.34 per loaf. Past experience shows that 8 percent of the loaves will spoil and have to be discarded. Assuming Sunfresh wants a 45 percent markup based on cost and produces 250 loaves, each loaf of bread should sell for:
A) $2.95
B) $2.08
C) $1.94
D) $2.11

Question 1029

Karen wants to convert 2.5 to a percent. She moved the decimal two places to the left. She converted the number to a percent correctly.
A) True
B) False

Question 1030

Find the net price of a bicycle that lists for $82.95 if a discount rate of 15% is offered. Round to the nearest cent.
A) $12.44
B) $70.51
C) $12.69
D) $70.76

Question 1031

36,402
A) thirty thousand, four hundred two
B) thirty-six thousand, four hundred two
C) thirty-six thousand, four hundred twenty
D) thirty thousand, six hundred forty two

Question 1032

Markup = $7.38; Rate of markup based on cost = 55.8%. Find the cost and selling price.
A) Cost: $20.61
   Selling price: $13.23
B) Cost: $0.13
   Selling price: $7.51
C) Cost: $13.23
   Selling price: $20.61
D) Cost: $7.38
   Selling price: $14.76

Question 1033

A letter or symbol that represents one or more unknown values is a(n):
A) known
B) constant
Question 1034

The most commonly used method of depreciation is:
A) sum-of-the-years-digits
B) straight-line
C) double-declining balance
D) units of production

Question 1035

Kevin Mondale earns a monthly salary of $22,612.15. He has a $300 adjustment-to-income flexible benefits package, is married, and claims 4 withholding allowances. Find the federal tax withholding to be deducted from his monthly paycheck using the percentage method tables.
A) $4797.75
B) $11,000.43
C) $4896.75
D) $5215.75

Question 1036

Which of the following businesses would be best suited for the specific identification inventory method?
A) college book store
B) hardware store
C) grocery store
D) auto dealership

Question 1037

Salvage value may also be referred to as the:
A) depreciable value
B) scrap value
C) residual value
D) both scrap value and residual value

Question 1038

A quota can be best defined as:
A) a minimum amount of sales that is required before a commission is applicable
B) a formula which determines earnings
C) earnings based on sales
D) another term for salary

Question 1039

The term "compounding semiannually" means:
A) compounding twelve times a year
B) compounding four times a year
C) compounding twice a year
D) none of these

Question 1040

The credit period is always longer than the discount period.
A) True
B) False
Question 1041

All annuities are based on a quarterly payment.
A) True
B) False

Question 1042

Find the standard deviation of the scores: 11, 11, 11, 14, 17, 17, 17. Round to tenths.
A) 9.0
B) 2.8
C) 7.7
D) 3

Question 1043

When interest is calculated on the unpaid balance of a loan at the end of each payment period you are working with a basic installment loan.
A) True
B) False

Question 1044

Which of the following is not an advantage of mutual fund investing?
A) liquidity
B) guaranteed return
C) professional management
D) diversification

Question 1045

A major advantage to using an escrow account is:
A) all of these apply to escrow
B) the monthly mortgage payment will be reduced by the tax and insurance payment
C) it assures the lending agency that property taxes and insurance will be paid in a timely fashion
D) the borrower is not required to include an amount for property taxes and insurance each month with their mortgage payment

Question 1046

When describing employee performance, a human resource professional would say it follows a normal distribution if the graph of the data set:
A) shows that 95% of the data will fall within three standard deviations of the mean
B) all of these apply to normal distribution
C) when folded at the highest point of the bell-shaped curve, the two halves would match
D) the bell-shaped curve is asymmetrical

Question 1047

An item costs $1864 and is marked down twice due to sales. The first markdown rate is 10% and the second markdown rate is 20%. What is the final selling price?
A) $1342.08
B) $1834.00
C) $1304.80
D) $932.00

Question 1048

It is assumed that ending inventory valued using the LIFO method consists of the oldest goods purchased.
A) True
B) False
Question 1049

Zeros at the end of the multiplier or multiplicand should be added to the right of the product.
A) True  
B) False

Question 1050

If a manufacturer's list price is $946.00 and a single discount rate of 15% is offered, the amount of the trade discount would be $141.90.
A) True  
B) False

Question 1051

The following test scores were recorded for a student: 74, 71, 69, 68, 77, 73. Find the mean, median, and mode.
A) mean: 72 median: 72 mode: none  
B) mean: 73 median: nonemode: 77  
C) mean: 71 median: nonemode: none  
D) mean: 72median: 68mode: 77

Question 1052

Lucy makes a simple discount note with a face value of $9900.00, a term of 60 days, and a 11% discount rate. Find the discount.

Discount rate: 11%
Time (days): 60
A) Discount: $179.01  
B) Discount: $0.00  
C) Discount: $181.50  
D) Discount: $1089.00

Question 1053

Complete a vertical analysis on the balance sheet for Mullen's Hardware for December 31 of last year. The company assets are cash $11,000, accounts receivable $40,000, and merchandise inventory $96,000. The liabilities are accounts payable $19,000 and wages payable $25,000. The owner's capital is $103,000.
A) Mullen's Hardware Balance Sheet
   Cash: 7.5%
   Accounts receivable: 27.2%
   Merchandise inventory: 65.3%
   Total assets: 100%
   Accounts payable: 12.9%
   Wages payable: 56.8%
   Total liabilities: 29.9%
   Mullen's capital: 70.1%
   Total liabilities and owner's equity: 100%
B) Mullen's Hardware Balance Sheet
   Cash: 7.5%
   Accounts receivable: 27.2%
   Merchandise inventory: 65.3%
   Total assets: 100%
   Accounts payable: 12.9%
   Wages payable: 17.0%
   Total liabilities: 29.9%
   Mullen's capital: 70.1%
   Total liabilities and owner's equity: 100%
C) Mullen's Hardware Balance Sheet
   Cash: 7.5%
   Accounts receivable: 27.2%
   Merchandise inventory: 65.3%
   Total assets: 100%
   Accounts payable: 43.2%
Question 1054

If an invoice is dated April 25 and has credit terms of 3/15, N/45, what is the last date on which the net amount of the invoice can be paid without incurring a penalty?

A) June 11
B) June 9
C) June 12
D) June 10


Question 1055

On a bar graph, the bars are always vertical.

A) True
B) False


Question 1056

In converting mixed numbers to improper fractions, the numerator of the improper fraction will be the same as the numerator of the fractional part of the mixed number.

A) True
B) False


Question 1057

Depreciable value is defined as:

A) the cost of an asset plus the salvage value
B) the cost of an asset minus the salvage value
C) a systematic approach to spread value over many years
D) the cost of an asset including shipping and installation charges


Question 1058

The amount of a loan is:

A) installment price - interest + down payment
B) installment price - payments + purchases
C) installment price - interest - down payment
D) the installment price + interest - down payment


Question 1059

The formula to find principal is "principal divided by (rate times time)."

A) True
B) False

Question 1060

June has a strip of paper 39.6 inches long. She wants to cut it into strips that are 6.6 inches long. How many 6.6-inch strips will she get from the paper?
A) 5 pieces
B) 6 pieces
C) 7 pieces
D) 60 pieces

Question 1061

An entire circle has 280 degrees.
A) True
B) False

Question 1062

If a spring stretches 0.6 meter when a 2-kilogram weight is attached to it, how much will it stretch when a 5-kilogram weight is attached to it?
A) 0.5 m
B) 3.5 m
C) 4.5 m
D) 1.5 m

Question 1063

$5726.54
A) $5726.5
B) $5726.54
C) $5727
D) $5726

Question 1064

An item sells for $48.60 and is marked up 20% on selling price. The cost is $38.88.
A) True
B) False

Question 1065

The value of cash for Hamilton Supplies last year was $43,000 and this year was $52,000. Find the percent increase (or decrease) in cash from last year to this year.
A) 82.7% decrease
B) 20.9% decrease
C) 82.7% increase
D) 20.9% increase

Question 1066

Under the FIFO method, the ending inventory is assumed to be made up of the most recently purchased goods.
A) True
B) False

Question 1067

The mean should always be rounded to the nearest hundredth.
A) True
B) False
Question 1068
When converting mixed numbers to improper fractions, the denominator of the improper fraction will be the same as the ________ of the fractional part of the mixed number.
A) numerator  
B) LCD  
C) denominator  
D) none of the above  

Question 1069
Which of the following statements is not correct regarding the double-declining rate depreciation method?
A) it provides for greater depreciation in the later years of the life of an asset  
B) it is twice the straight-line rate  
C) it provides for greater depreciation in the early years of the life of an asset  
D) it is referred to as the 200%-declining-balance method  

Question 1070
When the original selling price of a product has been reduced, this is termed a markdown.
A) True  
B) False  

Question 1071
Mr. and Mrs. Jarmel have a combined taxable income of $168,351. Their W-2 form shows they have already paid $31,885. Calculate their tax refund or payment.
A) $7503.28 payment  
B) $3322.78 refund  
C) $3322.78 payment  
D) $12,398.08 refund  

Question 1072
Find the annual homeowners insurance premium on a masonry home located in zone 1 if the home is insured for $500,000. The owner chooses a $1000 deductible and has good credit.
A) $1600.00  
B) $135.00  
C) $1352.78  
D) $13,500.00  

Question 1073
In the FIFO method, the cost of goods available for sale is relatively close to the current cost of purchasing additional items.
A) True  
B) False  

Question 1074
When calculating a markup on cost, ________ is always equal to 100%.
A) selling price  
B) markup  
C) cost  
D) margin  

Question 1075
With open-end loans, an individual makes regular fixed dollar payments for a specific period of time.
A) True
Question 1076
A refund fraction shows what portion of the total finance charge has been paid at the time a loan is paid off.
A) True
B) False

Question 1077
Preferred stockholders have a preferential claim to a company's dividends.
A) True
B) False

Question 1078
In the number 1.732, the 3 occupies the hundredths position.
A) True
B) False

Question 1079
On a promissory note, the person borrowing the money is called the:
A) payee
B) principal
C) lender
D) maker

Question 1080
With participating preferred stock, if a dividend is not declared and paid, the dividend is in arrears and must be paid when money becomes available.
A) True
B) False

Question 1081
Which of the following types of coverage is typically not available under a homeowners policy?
A) workplace injury
B) limited coverage for stolen items like jewelry or cash
C) coverage for damage to your house or any permanent structures on your property
D) liability coverage

Question 1082
The total cost of goods sold divided by the total number of units available for sale is equal to the average unit cost.
A) True
B) False

Question 1083
The bank code number and the checking account number are printed along the bottom of a check so that they can be read by a computer.
A) True
B) False

Question 1084
A certain exotic sports car costs three hundred twelve thousand, nine hundred ninety-two dollars. Write as a number.
A) 312,992
B) 31,292
Question 1085

In a normal distribution, 95% of the data will fall within three standard deviations of the mean.
A) True
B) False

Question 1086

100% minus the single discount rate equals the complement of the discount rate.
A) True
B) False

Question 1087

A graph designed to quickly illustrate to the reader whether a set of data is increasing, decreasing, or fluctuating is a:
A) range graph
B) circle graph
C) line graph
D) bar graph

Question 1088

The mean, median, and mode show the tendency of a group of numbers to cluster together in the center of a series of numbers.
A) True
B) False

Question 1089

Using the ordinary interest exact time method, a year is assumed to have 360 days.
A) True
B) False

Question 1090

The checkbook should be credited when a memorandum for which of the following is received?
A) service charge
B) overdraft charge
C) NSF
D) interest earned

Question 1091

A bank statement contains a listing of all the transactions recorded by the bank during the statement period.
A) True
B) False

Question 1092

Gross margin minus operating expenses equals net profit.
A) True
B) False

Question 1093

The hundredths position is to the right of the tenths position.
A) True
Question 1094

A number decreased from 845 to 492. Find the amount of decrease.
A) 353
B) 392
C) 486
D) 1198

Question 1095

When multiplying two proper fractions, the product:
A) is always greater than 1
B) is always a proper fraction
C) has a value between the two fractions
D) has a value equal to 1

Question 1096

The letters APR stand for annual percentage rate.
A) True
B) False

Question 1097

If there is no sign of operation between a number and a letter, a number and a parenthesis, or two letters, it means:
A) multiplication
B) subtraction
C) division
D) addition

Question 1098

Which of the following is not a prime number?
A) 41
B) 19
C) 29
D) 9

Question 1099

The following test scores were recorded for a student: 79, 74, 72, 68, 74, 60, 70. Find the mean, median, and mode.
A) mean: 71 median: 72 mode: 74
B) mean: 71 median: 68 mode: 79
C) mean: 72 median: 68 mode: 74
D) mean: 72 median: 71 mode: 79

Question 1100

A mortgage of $80,000.00 with 2 points means the borrower must pay $800.00 at the loan closing.
A) True
B) False

Question 1101

A basic installment loan is one in which there is no fixed number of payments.
A) True
B) False
Question 1102
Which of the following is the best definition of percent?
A) a portion of another unit, always expressed as less than 100
B) a portion of another unit, always expressed as greater than 100
C) a standardized way of expressing quantities in relation to a standard unit of 100
D) all are appropriate definitions

Question 1103
To determine the number of periods for a sinking fund, multiply the years times the number of compounding periods per year.
A) True
B) False

Question 1104
Lowering the amount of deductibles for collision insurance will result in increased premiums.
A) True
B) False

Question 1105
The length of time between which the interest on a loan is compounded is known as future value.
A) True
B) False

Question 1106
When reconciling a bank account, an unrecorded bank service charge is:
A) subtracted from the bank statement balance
B) added to the checkbook balance
C) added to the bank statement balance
D) subtracted from the checkbook balance

Question 1107
Statistical information is usually more effective if it can be presented visually.
A) True
B) False

Question 1108
Jim drove 141 miles in 3 hours. If he can keep the same pace, how long will it take him to drive 1316 miles?
A) 423 hr
B) 38 hr
C) 28 hr
D) 56 hr

Question 1109
There is only one type of annuity.
A) True
B) False

Question 1110
The mean is the arithmetic average of a series of numbers.
A) True
Question 1111

A number that describes numerical data is a:
A) statistic
B) table
C) graph
D) pie chart

Question 1112

SLM Instruments allocates its overhead of $720,750 among its departments by floor space. Find the overhead for each department.

Department | Floor space
--- | ---
A | 28,700 sq ft
B | 15,700 sq ft
C | 5500 sq ft
D | 27,600 sq ft

A) $266,910 to A
$146,010 to B
$51,150 to C
$256,680 to D
B) $28,700 to A
$15,700 to B
$5500 to C
$27,600 to D
C) $146,010 to A
$266,910 to B
$256,680 to C
$51,150 to D
D) $269,780 to A
$147,580 to B
$43,950 to C
$259,440 to D

Question 1113

The addition and subtraction of decimals is very similar to:
A) adding and subtracting whole numbers
B) adding and subtracting fractions
C) adding whole numbers only
D) adding fractions only

Question 1114

The specific identification method is best used with merchandise that has:
A) low volume, high cost
B) low volume, low cost
C) high volume, high cost
D) high volume, low cost

Question 1115

When multiplying integers:
A) multiply and make the product negative
B) multiply and use a positive sign if the two integers have different signs
C) multiply and use the negative sign if the two integers have different signs
D) multiply and use the sign of the larger value
<table>
<thead>
<tr>
<th>Question 1116</th>
<th>The list price minus the net price is equal to the trade discount.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1117</th>
<th>This type of coverage protects the owner of an insured vehicle that is in an accident resulting in personal injury or property damage to another party.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) liability insurance</td>
<td>B) collision insurance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1118</th>
<th>When a company issues bonds, the transaction is a form of borrowing money.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1119</th>
<th>Sam Peters needs to calculate the effective interest rate of a simple discount note for $3100, at an ordinary bank discount rate of 8%, for 70 days. Find the effective interest rate rounded to the nearest tenth of a percent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) 8.1%</td>
<td>B) 5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1120</th>
<th>Eric Johnson is depreciating a kitchen oven range purchased for $1720. The scrap value is estimated to be $172. He will use double-declining-balance and depreciate over 30 years. What is the first year’s depreciation?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) $51.60</td>
<td>B) $103.20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1121</th>
<th>The price paid for using money is called:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) proceeds</td>
<td>B) interest</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1122</th>
<th>The total of all the monthly payments plus the amount of the mortgage is equal to the total cost of interest.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1123</th>
<th>When an asset is depreciated at twice the straight-line rate, this is called the double-declining balance method.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) True</td>
<td>B) False</td>
</tr>
</tbody>
</table>
Question 1124

A check is the only means of withdrawing funds from a checking account.
A) True
B) False

Question 1125

What percentage of applicants typically receive the very best (preferred) rates when applying for life insurance?
A) less than 25%
B) 30%
C) 40%
D) more than 50%

Question 1126

When a fruit and vegetable stand marks up produce, the _________ reflects that a certain amount of spoilage will occur.

Question 1127

Cost = $4.04; Selling price = $7.12. Find the markup and the rate of markup based on cost.
A) Markup: $3.08
   Rate of markup based on cost: 76.2%
B) Markup: $7.12
   Rate of markup based on cost: 56.7%
C) Markup: $11.16
   Rate of markup based on cost: 36.2%
D) Markup: $3.08
   Rate of markup based on cost: 43.3%

Question 1128

The first step in the sum-of-the-years-digits method of depreciation is to list, in reverse order, the number of years in an asset's expected life.
A) True
B) False

Question 1129

The Treasury Department outlines all the options that may be used in figuring depreciation with MACRS.
A) True
B) False

Question 1130

Felipe Rivera’s savings account has a balance of $3159. After 4 years what will the amount of interest be at 1.6% compounded quarterly?
A) $199.37
B) $25.27
C) $213.37
D) $208.37

Question 1131

Loans with regular payments for a specific number of payments are called:
A) basic installment loans
B) down payment loans
C) APR loans
D) open-end loans
Question 1132
When one discount rate is given on the list price, it is called a single discount equivalent.
A) True
B) False

Question 1133
A home with a market value of $320,000 is insured for $288,000 in a policy that contains an 80% coinsurance clause. Find the part of a loss due to fire that the insurance company will pay.
A) $320,000
B) $3263
C) $2900
D) $288,000

Question 1134
When you add fractions with the same denominator, you add the _________ and then place that number over the denominator and _________ to the lowest terms.

Question 1135
All states require the same types and amounts of insurance coverage on motor vehicles.
A) True
B) False

Question 1136
The simple interest formula is:
A) P = IRT
B) I = PRT
C) R = PIT
D) T = PIR

Question 1137
When reconciling the bank statement, outstanding deposits are:
A) subtracted from the checkbook
B) added to the checkbook
C) subtracted from the bank statement
D) added to the bank statement

Question 1138
This type of insurance accumulates a cash value.
A) term-life
B) comprehensive
C) coinsurance
D) ordinary-life

Question 1139
Only numerals can be variables.
A) True
B) False

Question 1140
When a checking account is opened, the person(s) who will be writing checks must sign a:
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A) check stub
B) check register
C) deposit slip
D) signature card

Question 1141

The March 1 unpaid balance in an account was $229. On March 5, a payment of $80 was made. The interest rate per month was 1.7% per month of the average daily balance. Find the new balance at the end of March.

A) $151.63
B) $151.71
C) $150.70
D) $176.08

Question 1142

When a computerized process is used and inventory is adjusted for each purchase or sale, it is termed a:

A) periodic inventory
B) perpetual inventory
C) weighted average inventory
D) FIFO/LIFO inventory

Question 1143

The net decimal equivalent of 25/20/20 is 0.01.

A) True
B) False

Question 1144

A local dealer sells baseballs for $25.00 each. If this is a 31.6% markup on cost, find the equivalent markup percent on the selling price.

A) 31.6%
B) 26.7%
C) 76%
D) 24%

Question 1145

The method used to calculate interest that is sometimes known as the Banker's Rule is:

A) exact interest using exact time
B) ordinary interest using ordinary time
C) exact interest using ordinary time
D) ordinary interest using exact time

Question 1146

Find the mean for the scores: 581, 621, 353, 358, 613, 352, 357, 515, 470, 482.

A) 461
B) 470.2
C) 479.8
D) 476

Question 1147

Angelo wants to make an investment today so that he can have $2600 in a year to buy some new kitchen appliances. How much should he set aside now if he can invest the money at 1.2% annually, compounded annually?

A) $2569.17
B) $2321.43
C) $2166.67
D) $2559.17
Question 1148

The commissions charged for the trading of stock are:
A) only for selling stock
B) only for buying stock
C) for buying and selling stock
D) the same for all trades

Question 1149

What is the percent of increase in Brett's salary between his fourth and fifth year at the job?
A) 1.7%
B) 98.3%
C) 1.8%
D) 2.8%

Question 1150

If no number appears more frequently in a series of numbers, there is no mode.
A) True
B) False

Question 1151

A director of accounts received an invoice for $614.52, dated November 12, with sales terms 4/13 ROG. The merchandise described on the invoice was received December 10. Find the cash discount and net amount paid if the invoice was paid January 10.
A) Cash discount: $24.18; net amount: $603.52
B) Cash discount: $79.89; net amount: $534.63
C) Cash discount: $24.58; net amount: $589.94
D) Cash discount: $0; net amount: $614.52

Question 1152

Find the ordinary interest on a loan of $11,000 at 7% annually for 92 days.
A) $11,196.78
B) $770.00
C) $196.78
D) $194.64

Question 1153

Three hundred twelve thousand, eight hundred ninety-four.
A) 3,208,940
B) 312,894,000
C) 31,284
D) 312,894

Question 1154

Syed Gupta earns a biweekly salary of $4723.08 with no adjustments to income. He is married and claims 7 withholding allowances. Find the federal tax withholding to be deducted from his biweekly paycheck using the percentage method tables.
A) $1555.17
B) $1299.41
C) $541.66
D) $797.42

Question 1155
Question 1156

Determine the cost of ending inventory.
60 units are in the ending inventory.
Beginning inventory: 35 units at $6.01
June 3: 45 units at $6.89
August 5: 30 units at $7.29
A) $425
B) $383
C) $403
D) $437

Question 1157

An equivalent number is a converted whole or mixed number that has the same numerical value as the original fraction.
A) True
B) False

Question 1158

Net sales minus cost of goods sold is net income.
A) True
B) False

Question 1159

The percent 1.02% written as a decimal would be 0.0102.
A) True
B) False

Question 1160

Horizontal analysis shows the relationship of each item to total assets.
A) True
B) False

Question 1161

The numerator of the fraction in the sum-of-the-years-digits method represents the years remaining in the asset's useful life.
A) True
B) False

Question 1162

Find the maturity value on a $28,498 face-value note for 182 days if the discount rate is 10%.
A) $29,911.19
B) $29,959.02
C) $29,938.73
D) $29,926.80

Question 1163

Markdowns are usually the result of:
A) absence of special promotions
B) absence of competition
C) changes in style
D) lack of seasonality

**Question 1164**

0.47
A) forty-seven thousandths
B) forty-seven hundredths
C) forty-seven tenths
D) forty-seven millionths

**Question 1165**

You can rewrite a fraction to higher terms by adding the numerator and the denominator.
A) True
B) False

**Question 1166**

Round 6603 to hundreds.
A) 6600
B) 6500
C) 6610
D) 6700

**Question 1167**

The specific identification method of inventory valuation is best when used with high volume, low cost items.
A) True
B) False

**Question 1168**

90 days from October 19 is:
A) January 18
B) January 17
C) January 16
D) January 19

**Question 1169**

Jennifer has $611.53 in her savings account. If she withdraws $85.18, what is the new balance in her account?
A) $696.71
B) $526.35
C) $526.53
D) $696.53

**Question 1170**

20 months
A) 2 years
B) 1.82 years
C) 240 years
D) 1.67 years

**Question 1171**
Round 422 to hundreds.
A) 410  
B) 300  
C) 400  
D) 500  

Question 1172
A table is a symbolic or pictorial display of numerical information.  
A) True  
B) False  

Question 1173
Which of the following would be an option to consider when purchasing an annuity?  
A) the level of risk of the investment  
B) all of these are important considerations when purchasing an annuity  
C) whether to invest with pre-tax or taxed money  
D) how the money is invested  

Question 1174
Find the exact interest on a loan of $6500 at 9% annually for 132 days.  
A) $211.56  
B) $206.75  
C) $214.50  
D) $209.62  

Question 1175
Prepay and add means freight charges have been added to an invoice and the buyer is to pay.  
A) True  
B) False  

Question 1176
The retail method cost ratio is derived by dividing the cost of goods available for sale at retail by the cost of goods available for sale at cost.  
A) True  
B) False  

Question 1177
Find the exact interest on a loan of $47,000 at 9% annually made on February 21 and due June 30.  
A) $1515.75  
B) $1494.99  
C) $1551.00  
D) $1529.75  

Question 1178
Our number system is based on ten.  
A) True  
B) False  

Question 1179
The present value of an ordinary annuity:  
A) is equal to the amount of money invested in the future  
B) determines the amount of money that needs to be invested today
Question 1180

9B = 18
A) B = 9
B) B = 8
C) B = 1
D) B = 2

Question 1181

Pat’s Deli makes onion buns that cost $.48 each. 10 percent of the onion buns will spoil and be thrown away. Pat wants a 40 percent markup based on cost. Pat produces 800 onion buns. Each onion bun should sell for:
A) $0.69
B) $0.80
C) $0.86
D) $0.75

Question 1182

The income statement describes the financial condition of a business at some exact point in time.
A) True
B) False

Question 1183

Under MACRS, the first and last years in the recovery period are partial years.
A) True
B) False

Question 1184

Estimating your answer, in a subtraction problem, is not as advantageous as in an addition problem and should be avoided.
A) True
B) False

Question 1185

0.69% of what number is 73
A) 95
B) 10,579.71
C) 105,797.1
D) 0.95

Question 1186

Jeffrey Haas earns $4723.08 biweekly, is married, and claims 5 withholding allowances. Find his net earning for this pay period. FICA tax is 4.2% and Medicare tax is 1.45%.
A) $4108.35
B) $3841.50
C) $4456.23
D) $5070.96

Question 1187

Jake Dowell has total fixed monthly expenses of $1364 and his gross monthly income is $3805. What is his debt-to-income ratio? Round to the nearest percent.
Question 1188

Find the mean for the amounts: $7760, $5050, $5050, $6690, $3020, $2880. Round to the nearest whole number.
A) $5050
B) $5075
C) $5074
D) $6690

Question 1189

Higgens buys toy trucks for $12.00 each and sells them for $16.00. The markup based on cost is 23.1%.
A) True
B) False

Question 1190

This graph is more complex to construct, because you must perform a number of calculations before you begin the actual graph.
A) bar graph
B) circle graph
C) range graph
D) line graph

Question 1191

Markdown amount = $8.19; markdown rate = 22%. Find the original price and reduced price.
A) Original price = $9.99
Reduced price = $1.80
B) Original price = $29.04
Reduced price = $37.23
C) Original price = $37.23
Reduced price = $29.04
D) Original price = $37.23
Reduced price = $45.42

Question 1192

The annual interest paid on a bond is equal to the face value of the bond:
A) plus the stated annual interest rate
B) minus the stated annual interest rate
C) multiplied by the stated annual interest rate
D) divided by the stated annual interest rate

Question 1193

Calculate the number of shares purchased with a $4000 investment in a no load mutual fund with a net asset value of $10.21. Round to three decimal places.
A) 2552.500 shares
B) 39.177 shares
C) 4084.000 shares
D) 391.773 shares

Question 1194

The mode is the middle value in a series of numbers.
<table>
<thead>
<tr>
<th>Question 1195</th>
</tr>
</thead>
<tbody>
<tr>
<td>When completing a check stub, to arrive at the ending balance, take the beginning balance and:</td>
</tr>
<tr>
<td>A) subtract the check and add the deposit</td>
</tr>
<tr>
<td>B) add the deposit and the check</td>
</tr>
<tr>
<td>C) add the check and subtract the deposit</td>
</tr>
<tr>
<td>D) subtract the check and the deposit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1196</th>
</tr>
</thead>
<tbody>
<tr>
<td>A toaster that originally sold for $31.00 was marked down to $28.50. The percent markdown was 38.9%.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1197</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory turnover at cost is calculated by dividing net sales by the average inventory at retail.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1198</th>
</tr>
</thead>
<tbody>
<tr>
<td>A number is decreased by 6.5% to 2618. What is the original amount?</td>
</tr>
<tr>
<td>A) 2579</td>
</tr>
<tr>
<td>B) 2448</td>
</tr>
<tr>
<td>C) 2788</td>
</tr>
<tr>
<td>D) 2800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1199</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax tables are never changed.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1200</th>
</tr>
</thead>
<tbody>
<tr>
<td>When using the unpaid or previous month's balance method:</td>
</tr>
<tr>
<td>A) the first step in calculating the new unpaid balance is to determine the purchases for the period and then add them to the previous balance</td>
</tr>
<tr>
<td>B) you should first multiply the unpaid or previous month's balance by the monthly rate</td>
</tr>
<tr>
<td>C) the average daily balance is the same as the unpaid balance</td>
</tr>
<tr>
<td>D) the billing cycle is always 30 or 31 days</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1201</th>
</tr>
</thead>
<tbody>
<tr>
<td>The amount of federal income tax to be withheld from employee's paychecks can be calculated by:</td>
</tr>
<tr>
<td>A) only by the wage-bracket method</td>
</tr>
<tr>
<td>B) only by the percentage method</td>
</tr>
<tr>
<td>C) the percentage-bracket method</td>
</tr>
<tr>
<td>D) either the percentage method or the wage-bracket table method</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1202</th>
</tr>
</thead>
<tbody>
<tr>
<td>A holder of a $3000, 8%, 180-day note dated June 10 decides to sell the note at a discount. The note is sold on July 27 at a discount of 11%. Find the proceeds.</td>
</tr>
<tr>
<td>A) $2993.21</td>
</tr>
<tr>
<td>B) $2963.15</td>
</tr>
</tbody>
</table>
Question 1203
A dining room set lists for $7,900.00 and carries a trade discount of 25 percent. Freight (FOB Shipping Point) of $75.00 is not part of the list price. The net price of the dining room set including freight, assuming a cash discount of 4 percent, is:
A) $7,656.00  
B) $5,763.00  
C) $7,659.00  
D) $7,975.00  

Question 1204
The AES Corporation has $4,514,000 to distribute its dividends and did not distribute dividends the previous year. There are 79,000 shares of cumulative preferred stock that earn dividends at $0.68 per share and 185,000 shares of common stock. How much money goes to common stockholders?
A) $4,388,200.00  
B) $4,262,400.00  
C) $4,406,560.00  
D) $4,460,280.00  

Question 1205
Jud-Jo Distributors received an invoice dated September 22 in the amount of $97.50. The credit terms were 2/15, N/30. A penalty of 6% is imposed for payments made after 30 days. Jud-Jo made a partial payment on October 6 of $50.00 and paid the balance on October 25. What was the amount due?
A) $47.50  
B) $48.50  
C) $49.27  
D) $46.48  

Question 1206
Prepare a balance sheet for Jake's Janitorial Service for December 31 of last year. The company assets are cash $16,000, accounts receivable $58,000, merchandise inventory $50,000, and equipment $97,000. The liabilities are accounts payable $23,000, wages payable $22,000, and mortgage note payable $87,000. The owner's capital is $89,000.

A) Jake's Janitorial Service Balance Sheet  
Total assets: $221,000  
Total liabilities: $132,000  
Total liabilities and owner's equity: $221,000  
B) Jake's Janitorial Service Balance Sheet  
Total assets: $221,000  
Total liabilities: $110,000  
Total liabilities and owner's equity: $89,000  
C) Jake's Janitorial Service Balance Sheet  
Total assets: $221,000  
Total liabilities: $132,000  
Total liabilities and owner's equity: $89,000  
D) Jake's Janitorial Service Balance Sheet  
Total assets: $124,000  
Total liabilities: $132,000  
Total liabilities and owner's equity: $89,000  

Question 1207
8 × 5 - 1  
A) 41  
B) 32  
C) 40  
D) 39
Question 1208
Find the mean of the scores: 9, 3, 24, 25, 42, 41. Round to tenths.
A) 24
B) 14.6
C) 24.5
D) 213.3

Question 1209
The problem-solving strategy includes:
I. identifying what you know
II. knowing what you are looking for
III. performing the solution plan
A) all of these
B) II
C) I
D) III

Question 1210
The annual interest on a bond is the current selling price of the bond times the stated yearly interest rate.
A) True
B) False

Question 1211
The primary advantage of a Roth IRA, when compared to a traditional IRA, is that:
A) all are true regarding a Roth IRA
B) qualified distributions are tax free when withdrawn
C) contributions are tax-deductible
D) only employees of public education entities can use them

Question 1212
The value of accounts payable for Larry's Bike Shop last year was $45,000 and this year was $25,000. Find the percent increase (or decrease) in accounts payable from last year to this year.
A) 44.4% increase
B) 45.3% increase
C) 45.3% decrease
D) 44.4% decrease

Question 1213
The balance sheet contains these three elements of a business:
A) assets, liabilities, and total sales
B) liabilities, capital, and cost of goods sold
C) assets, liabilities, and owner's equity
D) assets, total sales, and net income

Question 1214
An invoice dated November 17 is received with credit terms of 3/15, N/40. The due date of the invoice is December 27.
A) True
B) False

Question 1215
40,608 ÷ 48
A) 836
B) 851
C) 846
D) 856

Question 1216

The cash price of an item is the amount you would have paid if the full amount was paid at the time of purchase.
A) True
B) False

Question 1217

Find the annual premium for a universal-life insurance policy with a face value of $25,000 for a 55-year-old female using a non-tobacco rate.
A) $614.25
B) $473.25
C) $506.25
D) $648.00

Question 1218

The rebate amount is equal to the rebate fraction:
A) multiplied by the number of months of a loan
B) divided by the number of weeks of the loan
C) multiplied by the total finance charge
D) divided by the total interest

Question 1219

If an equation indicates addition in its presentation, in order to solve for the unknown you must:
A) multiply
B) divide
C) add
D) subtract

Question 1220

Irene Farley earns a semimonthly salary of $7714.27. She has a $100 adjustment-to-income flexible benefits package, is married, and claims 4 withholding allowances. Find the federal tax withholding to be deducted from her semimonthly paycheck using the percentage method tables.
A) $1528.26
B) $3110.17
C) $1378.93
D) $1350.93

Question 1221

The trade-in value of an asset is the same as the residual value of an asset.
A) True
B) False

Question 1222

Cost = $48.19; selling price = $58.79. Find the markup and the rate of markup based on the selling price.
A) Markup = $10.60
Rate of markup based on selling price = 82.0%
B) Markup = $10.60
Rate of markup based on selling price = 18.0%
C) Markup = $21.20
Rate of markup based on selling price = 22.0%
Question 1223

In those states with a sales tax, all items offered for sale are subject to the tax.
A) True
B) False

Question 1224

Vertical analysis is the comparison of the same account balance for two different years.
A) True
B) False

Question 1225

An open-end loan disallows additional credit until the initial amount is paid off.
A) True
B) False

Question 1226

Which of the following commission structures provide an employee with both security and an incentive to produce sales?
A) salary-plus-commission
B) straight commission
C) salary minus quota
D) salary only

Question 1227

Last week, Marco packed 158 parts. Find his gross weekly earnings if he is paid at the following differential piece rate.
1-75 parts packed $0.75 each
76-125 parts packed $1.50 each
126 or more parts packed $2.00 each
A) $237.00
B) $159.75
C) $199.50
D) $197.25

Question 1228

The amount earned before deductions is called:
A) take-home pay
B) withholdings
C) gross earnings
D) net earnings

Question 1229

The FIFO (first-in, first-out) inventory method assumes the first items sold:
I. were the first items purchased
II. were the last items purchased
III. are valued the same as the items in the ending inventory
A) II only
B) I only
C) III only
D) both II and III
Question 1230
Manufacturers typically use a markup based on selling price.
A) True
B) False

Question 1231
With ordinary time, a loan dated June 12 and due in 150 days should be paid on:
A) November 12
B) September 12
C) September 10
D) October 12

Question 1232
twelve and two hundredths
A) 12.02
B) 12.002
C) 12.2
D) 1202

Question 1233
A circle graph is divided into two or more sections to give a visual picture of how some whole quantity is being divided.
A) True
B) False

Question 1234
A certain state has an excise tax rate on wine of $0.40 per gallon. In a year, 16,667,000 gallons of wine were sold. What was the revenue generated from the wine sales?
A) $6,661,800
B) $6,666,800
C) $666,680
D) $6,681,800

Question 1235
The variable A is the same as 1A or 1 times A.
A) True
B) False

Question 1236
With this method of inventory valuation, the cost of the ending inventory is determined using the most recently purchased goods.
A) retail
B) FIFO
C) LIFO
D) average

Question 1237
Henry played golf last Tuesday. He had a net score of 85 and a handicap of 12. Find Henry’s gross score, G, using the equation N = G - H, where N is the net score and H is the handicap.
A) 86
B) 99
C) 89
D) 97
Question 1238

Find the annual auto insurance premium for Ann if she has bad credit and lives in territory 1. She has 500/1000/500 liability coverage, a $0 comprehensive deductible, and a $500 collision deductible. Her vehicle is new and is in model class 1.
A) $3192.00
B) $3616.00
C) $2337.00
D) $3421.00

Question 1239

When your payday falls every two weeks, your payroll frequently is said to be:
A) weekly
B) monthly
C) semimonthly
D) biweekly

Question 1240

When you multiply or divide fractions, you do not have to find the _________.

Question 1241

10R + 7 = 57
A) R = 44
B) R = 5
C) R = 40
D) R = 1

Question 1242

A small computing center has found that the number of jobs submitted per day to its computers has a mean of 65 jobs and a standard deviation of 7. Where do we expect the number of jobs per day to fall most of the time (95.4%)?
A) between 51 and 79 jobs per day
B) between 44 and 86 jobs per day
C) between 51 and 86 jobs per day
D) between 58 and 72 jobs per day

Question 1243

The mode is the total of a set of values divided by the number of values in the set.
A) True
B) False

Question 1244

A factor is a number involved in multiplication.
A) True
B) False

Question 1245

Cost = $6.90; markup rate of 32.7% based on the selling. Find the markup and the selling price.
A) Markup = $2.26
Selling price = $4.64
B) Markup = $3.35
Selling price = $3.55
C) Markup = $2.26
Question 1246
Sales taxes are determined by the voters of state and local governments.
A) True
B) False

Question 1247
The value of a decimal, like a whole number, is based on the:
A) digit system
B) place-value system
C) metric system
D) monetary system

Question 1248
Dr. Henry Kril is filing his tax as a head of household. His taxable income is $205,788 and his W-2 form shows he has already paid $55,709. Calculate his tax refund or payment.
A) $2901.96 refund
B) $6201.31 payment
C) $6280.96 payment
D) $6280.96 refund

Question 1249
Charles Williams owns Lake Shore Collectibles, a small shop with three employees. For one payroll period the total withholding tax for all employees was $1728. The total employee's Social Security tax was $447, and the total employer's Social Security tax was $650. The total employee's Medicare tax was $154. How much tax must Charles deposit as the employer's share of Social Security tax and Medicare tax? What is the total tax that must be deposited?
A) Employer's share of Social Security and Medicare tax = $804
   Employer's tax deposit = $3133
B) Employer's share of Social Security and Medicare tax = $804
   Employer's tax deposit = $2979
C) Employer's share of Social Security and Medicare tax = $650
   Employer's tax deposit = $3133
D) Employer's share of Social Security and Medicare tax = $650
   Employer's tax deposit = $1405

Question 1250
Collision and comprehensive insurance coverage:
A) is compulsory in most states
B) has no deductible
C) only pays the insurer
D) only pays the insured

Question 1251
Compounded annually means interest is added once a year.
A) True
B) False

Question 1252
If an item sells for $1.85 and is marked up 40% on the selling price, then the cost of the item is $1.11.
A) True
B) False

Question 1253
A frequency distribution attempts to organize numbers into meaningful patterns.
A) True
B) False

Question 1254
The employer pays all or part of the following taxes except:
A) Social Security tax and Medicare tax
B) federal income tax
C) SUTA
D) FUTA

Question 1255
The _________ is usually written as a percent, decimal, or fraction.
A) rate
B) percentage
C) equation
D) base

Question 1256
Which of the following would best describe typical product flow in the marketplace?
A) manufacturer > retailer > wholesaler > consumer
B) manufacturer > consumer > wholesaler > retailer
C) manufacturer > wholesaler > consumer > retailer
D) manufacturer > wholesaler > retailer > consumer

Question 1257
Find the mean for the amounts: 51, 67, 64, 56, 67, 58, 60, 56, 56.
A) 58.2
B) 58
C) 59.4
D) 58.8

Question 1258
Employers are required to pay SUTA quarterly if the payment totals a certain amount.
A) True
B) False

Question 1259
The bank statement is the primary tool used in reconciling a checking account.
A) True
B) False

Question 1260
Assessed property value: $49,800,000
Expenses to be funded by property tax: $2,402,000
Tax per amount of assessed value: mill
A) 4.82 mills
B) 20.73 mills
Question 1261
Wilson's Produce pays $0.12 per pound for corn on the cob. If Wilson's buys 600 pounds of corn on the cob, marks it up 195% on cost, and anticipates a spoilage factor of 20%, what will be the selling price per pound?
A) 12.0 cents per pound
B) 25.4 cents per pound
C) 23.4 cents per pound
D) 44.3 cents per pound


Question 1262
In a clinical study, 16 of the 800 subjects receiving a migraine medication developed side effects. What percentage developed side effects?
A) 1%
B) 12%
C) 4%
D) 2%


Question 1263
The selling price of merchandise minus the cost equals the markdown.
A) True
B) False


Question 1264
Even though a business uses a perpetual inventory system, a physical count is still periodically necessary.
A) True
B) False


Question 1265
Nancy Johnson received a bill for $393.42, dated November 12, with sales terms of 1/13 ROG. The merchandise arrived December 2. Find the cash discount and amount due if the bill was paid December 13.
A) Cash discount: $3.83; amount due: $382.42
B) Cash discount: $51.14; amount due: $342.28
C) Cash discount: $3.93; amount due: $389.49
D) Cash discount: $0; amount due: $393.42


Question 1266
Adding zeros to the right end of a decimal:
A) is the result of multiplication
B) increases the value by 100
C) does not change the value
D) increases the value by 10


Question 1267
The formula to find the rate is interest divided by (principal times time).
A) True
B) False


Question 1268
Credit terms of 2/15, N/35 on an invoice dated March 21 means:
A) the net amount of the bill is due between April 1 and April 25
B) any payment made after April 25 may be subject to an interest charge
C) a 2% discount can be taken between March 21 and April 4
D) a 15% discount can be taken between March 21 and March 23

Question 1269
The cost of an item if the full amount had been paid at the time of sale is called the:
A) installment price
B) down payment price
C) total price
D) cash price

Question 1270
For the month ending June 30, TriCounty Nursery has net sales of $251,000, cost of goods sold of $99,000, and operating expenses of $70,000. Find the gross profit and net income.
A) gross profit: $152,000; net income: $29,000
B) gross profit: $152,000; net income: $82,000
C) gross profit: $82,000; net income: $152,000
D) gross profit: $72,100; net income: $29,000

Question 1271
The average daily balance is the same as the average balance.
A) True
B) False

Question 1272
Ann Preston is married, has a gross weekly salary of $543.74 (all of which is taxable), and the number of withholding allowances she claims is 1. Use the tax tables to find the federal tax withholding to be deducted from her weekly salary.
A) $32
B) $30
C) $33
D) $31

Question 1273
By using a formula, the percent markup based on selling price can be converted to percent markup based on cost.
A) True
B) False

Question 1274
The primary difference between preferred and common stock is that preferred stock:
A) includes voting rights
B) all of these apply to preferred stock
C) dividends are distributed after common stockholders
D) guarantees a specific dividend to the stockholder

Question 1275
If employees are paid weekly, they will receive:
A) 12 paychecks a year
B) 52 paychecks a year
C) the number of paychecks vary each year
D) 26 paychecks a year

Question 1276

Al received a promotion at work. His salary was $39,500. His new salary was $59,000. Al's salary increase was $19,500.

A) True
B) False


Question 1277

Calculating a batting average is an example of using the mode.

A) True
B) False


Question 1278

When calculating the time of a loan, if you account for the actual number of days in each month, it is called exact time.

A) True
B) False


Question 1279

The effective rate is:
A) the true annual rate
B) the simple rate
C) the true semiannual rate
D) the stated rate


Question 1280

For Hamilton Supplies, wages payable for last year were $30,000 and for this year were $98,000. If the total assets for this year were $117,000, find what percent wages payable were of total assets this year.

A) 290.0%
B) 25.6%
C) 83.8%
D) 19.4%


Question 1281

A circle graph consists of 480 degrees.

A) True
B) False


Question 1282

Assessed property value: $9,112,000
Expenses to be funded by property tax: $306,000
Tax per amount of assessed value: $1000

A) $2.98 per $1000
B) $33.58 per $1000
C) $29.78 per $1000
D) $3.36 per $1000


Question 1283

Deposits that appear on your records, but not on the bank statement, are known as:
A) outstanding
B) ATM
C) in transit
D) NSF

Question 1284

Bonds are almost always issued in denominations of:
A) $10,000
B) $1000
C) $100
D) $100,000

Question 1285

Andrew earns a gross weekly income of $574.56. How much Social Security tax should be withheld the first week of the year? How much Medicare tax should be withheld? Assume a 4.2% FICA rate and a 1.45% Medicare rate. Round to the nearest cent.
A) Social Security tax = $24.13
   Medicare tax = $8.33
B) Social Security tax = $241.32
   Medicare tax = $83.31
C) Social Security tax = $25.13
   Medicare tax = $9.33
D) Social Security tax = $2.41
   Medicare tax = $0.83

Question 1286

The total amount that must be paid when the purchase is paid for over a given period of time is the:
A) amount financed
B) financed price
C) cash price
D) installment price

Question 1287

Use a formula to find the monthly payment on a home mortgage of $75,900 at 4.884% interest for 15 years.
A) $3091.48
B) $208.53
C) $286.72
D) $595.64

Question 1288

The formula to determine the rate of interest is:
A) (R/PT)
B) (I/RT)
C) (I/PT)
D) (I/PR)

Question 1289

In calculating depreciation, shipping and installation charges are part of the cost of the asset.
A) True
B) False

Question 1290

Which of the following are advantages typically associated with term insurance?
A) convertibility to a permanent plan
B) lower cost
C) all of these are advantages associated with term insurance
D) coverage for a limited period of time
Question 1291

The amount of an annuity is the sum of the payments plus the interest.
A) True
B) False

Question 1292

A planet orbits the sun every 45.7 years. Write the length of the orbit in words.
A) forty-five and seven millionths of a year
B) forty-five and seven hundredths of a year
C) forty-five and seven thousandths of a year
D) forty-five and seven tenths of a year

Question 1293

When you subtract fractions with the same denominator, you simply subtract the ________, place the difference over the denominator, and reduce to the lowest terms.

Question 1294

The amount of insurance usually required to meet the coinsurance clause is:
A) 50% of your dwelling’s replacement cost
B) 100% of your dwelling’s replacement cost
C) 80% of your dwelling’s replacement cost
D) 60% of your dwelling’s replacement cost

Question 1295

The difference between the original amount of a loan and the future value is called:
A) simple interest
B) present value
C) compound interest
D) compound total

Question 1296

Markup = $50.84; selling price = $129.18. Find the cost and the rate of markup based on the selling price.
A) Cost = $180.02
Rate of markup based on selling price = 64.9%
B) Cost = $78.34
Rate of markup based on selling price = 39.4%
C) Cost = $180.02
Rate of markup based on selling price = 39.4%
D) Cost = $78.34
Rate of markup based on selling price = 64.9%

Question 1297

To find the gross amount of a salaried employee’s paycheck, multiply the hours worked times the rate of pay and adjust for overtime.
A) True
B) False

Question 1298

Brandy’s Gift House pays employees for each gift they gift wrap. Assume they are paid as follows:
gifts 1-10$13 each
gifts 11-15$16 each
gifts 16 and up$20 each
If Lee wraps 11 gifts, what are her gross earnings?
A) $176  
B) $150  
C) $146  
D) $143

Question 1299

$48.02
A) five hundred forty-eight and two hundredths 
B) five hundred and forty-eight and two tenths 
C) five hundred forty-eight and two thousandths 
D) five hundred and forty-eight and two hundredths

Question 1300

The billing cycle of an open-end credit account is always 30 or 31 days.
A) True  
B) False 

Question 1301

If the list price is $130.08 and the discount price is $99.55, how much is saved by buying at discount?
A) $41.53  
B) $31.53  
C) $30.53  
D) $40.53

Question 1302

Based on a 360 day year, a 3% cash discount for 20 days is equal to an annual rate of:
A) 18%  
B) 45%  
C) 54%  
D) 36%

Question 1303

Estimating the answer before calculating the exact answer is beneficial in some situations.
A) True  
B) False 

Question 1304

Which of the following statements is true regarding the unpaid or previous month's balance method:
A) cash purchases are not allowed under this method 
B) interest rates charged are always higher than the average daily balance method 
C) new purchases or payments during the month do not affect the finance charge 
D) new purchases or payments during the month affect the finance charge

Question 1305

In a circle graph, the circle itself represents 100% and each section of the circle illustrates a part of the total quantity.
A) True  
B) False 

Question 1306

Bathing suits are often on sale in July. The regular price of one suit is $36. With a 20% discount, how much is saved?
### Question 1307

If the freight terms are FOB destination, the freight is paid by the seller.

A) True  
B) False


### Question 1308

Find the maturity value of a loan of $6787 after 4 months. The loan carries a simple interest rate of 14% per year.

A) $7103.73  
B) $7024.55  
C) $7182.91  
D) $7106.39


### Question 1309

When multiplying decimals, it is important to keep track of the number of _________ in the numbers being multiplied:

A) fractions  
B) products  
C) all of these  
D) decimal places


### Question 1310

An asset's book value is:

A) the asset's cost divided by the accumulated depreciation  
B) the asset's cost minus the accumulated depreciation  
C) the asset's cost plus the accumulated depreciation  
D) the asset's cost times the accumulated depreciation


### Question 1311

The finance charge is equal to the total of all monthly payments less the amount financed.

A) True  
B) False


### Question 1312

Overhead expenses are:

A) costs that directly contribute to the operation of a business  
B) costs related to a specific product  
C) costs that indirectly contribute to the operation of a business  
D) costs directly related to a specific department


### Question 1313

The store where Anna-Marie is a salesperson offers a trade discount series of 25/5 on any clothes bought at the store. What is the net price of a $102 sweater? Use the net decimal equivalent to find the net price.

A) $96.90  
B) $71.40  
C) $72.67  
D) $29.33

Question 1314
In the LIFO method, the inventory that has been sold is assigned the most recent cost.
A) True
B) False

Question 1315
When locating the mode, you must arrange the values in descending or ascending order.
A) True
B) False

Question 1316
A fixed rate of pay per unit of production is called differential piece rate pay.
A) True
B) False

Question 1317
A sinking fund payment is made at the end of each period.
A) True
B) False

Question 1318
Which of the following would not be considered a current asset?
A) cash
B) accounts receivable
C) office supplies
D) office furniture and equipment

Question 1319
Patricia took out a loan for an expensive sports car. The total interest for the 37 month loan was $23,091. Find the interest which will be refunded if she pays the loan in full with 5 payments remaining.
A) $346.71
B) $328.46
C) $492.70
D) $520.07

Question 1320
A line graph may be used to demonstrate trends.
A) True
B) False

Question 1321
The first step in rounding is to identify the place value to be rounded.
A) True
B) False

Question 1322
In a non-interest bearing note, the maturity value is the same as the:
A) discount
B) principal plus interest
C) principal
Question 1323

Personal checks and some business checks have a line called a ________, which provides space for the maker to describe what the check is for.
A) check register
B) check stub
C) memo
D) signature card

Question 1324

If you receive paychecks 12 times a year at fixed intervals, you are probably being paid:
A) bimonthly
B) biweekly
C) monthly
D) weekly

Question 1325

A fraction is in lowest terms when there is no number that can be divided evenly into the numerator and denominator.
A) True
B) False

Question 1326

An invoice dated April 22 shows a net price of $175 with the terms 3/10, n/30. What is the latest date the cash discount is allowed?
A) April 30
B) May 1
C) May 2
D) April 22

Question 1327

Our number system is called the:
A) place-value system
B) metric system
C) digit system
D) decimal system

Question 1328

A debit memorandum discovered during the reconciliation process should be:
A) deducted from the bank statement balance of cash
B) added to the book balance of cash
C) added to the bank statement balance of cash
D) deducted from the book balance of cash

Question 1329

After agreeing to be the payee for a promissory note as payment for the sale of goods, a business:
A) may sell the note to a third party in exchange for cash
B) all apply in the case of a third-party discount note
C) receives the maturity value of the note if sold to another party, minus the third-party discount
D) may discount the note to a third party

Question 1330

Greg Quigley earned $4104 last year. There is no SUTA tax rate where he lives. How much FUTA tax must Greg's company pay for him if FUTA tax is
currently 6.2% of the first $7000 earned by the employee.
A) $173.76
B) $2901
C) $179.55
D) $2896

Question 1331

A microwave was originally priced at $440.00. If it was subsequently reduced by 15%, the sales price would be $374.00.
A) True
B) False

Question 1332

The interest on municipal bonds may be exempt from federal income taxes.
A) True
B) False

Question 1333

The income statement reports the net income of a business for a period of time.
A) True
B) False

Question 1334

$1400 at 4% compounded quarterly for 2 years
A) $1516.00
B) $1512.00
C) $1428.14
D) $1514.24

Question 1335

Ordinary annuities do not earn interest.
A) True
B) False

Question 1336

The amount a business gets to keep, after paying for all costs and expenses, is termed:
A) net profit
B) net loss
C) gross margin
D) gross profit

Question 1337

Overdraft protection is a good substitute for reconciling your bank account on a regular basis.
A) True
B) False

Question 1338

Solve the formula \( P = s_1 + s_2 + s_3 \) for \( s_1 \).
A) \( s_1 = s_2 + P - s_3 \)
B) \( s_1 = P - s_2 - s_3 \)
C) \( s_1 = P + s_2 + s_3 \)
D) \( s_1 = s_2 + s_3 - P \)
Question 1339
The amount of money borrowed is called:
A) proceeds
B) discount amount
C) principal
D) maturity value

Question 1340
The five office workers at Southwest Appliances earned salaries last year of $20,000, $23,000, $49,000, $14,000, and $25,000. Find the mean salary.
A) $26,200
B) $27,510
C) $24,890
D) $28,820

Question 1341
If the price earnings ratio is low, it could indicate the business's potential is thought to be poor.
A) True
B) False

Question 1342
FUTA tax must be paid:
A) semiannually
B) six times per year
C) at least once a year
D) quarterly

Question 1343
To compound daily means to compound 360 times a year.
A) True
B) False

Question 1344
Under a no-fault insurance program, the parties to an accident may not pursue legal remedies.
A) True
B) False

Question 1345
A credit term of 3/15, 2/25, N/45 means you have 25 days from the date of the invoice to receive a 2% discount.
A) True
B) False

Question 1346
Normally, the largest deduction from an employee's paycheck is for:
A) withholding allowance
B) federal income tax withholding
C) Social Security tax
D) Medicare tax

Question 1347
Finance charge and carrying charge both mean interest.
A) True
B) False

Question 1348

The horizontal line that separates the numerator and the denominator is called the dividend.
A) True
B) False

Question 1349

The hundreds position is to the right of the tens position.
A) True
B) False

Question 1350

Service charges represent fees that banks pay you for keeping your money on deposit at their institution.
A) True
B) False

Question 1351

The unpaid balance in an account at the beginning of December was $176. A payment of $55 was made on December 23. The interest rate per month was 1.6% per month of the average daily balance. Find the new balance at the end of December.
A) $122.60
B) $146.61
C) $123.56
D) $123.50

Question 1352

Jones Company (located in Baltimore) sold a computer system to Data Point of Chicago for $15,000.00. Terms of the sale were 3/15, N/45, FOB Baltimore. Jones agreed to prepay the freight in the amount of $250.00. Assuming Data Point pays within the discount period, how much will they pay?
A) $14,792.50
B) $14,550.00
C) $14,505.00
D) $14,800.00

Question 1353

The process of determining the value of inventory based on a ratio is called a perpetual inventory.
A) True
B) False

Question 1354

A stated amount of money paid each year to an employee for services performed is called a:
A) commission
B) salary
C) piecework
D) wage

Question 1355

Amortization is a means of computing how much of each monthly payment is applied to the outstanding principal.
A) True


Question 1356

A stated amount of money paid each year to an employee for services performed is called a:
A) commission
B) salary
C) piecework
D) wage

Question 1357

Amortization is a means of computing how much of each monthly payment is applied to the outstanding principal.
A) True
### Question 1356
The primary advantage(s) of the weighted-average inventory method is/are:
- A) all pertain to the weighted-average inventory method
- B) its use with goods that have a relatively stable cost
- C) its use with goods that are similar in cost
- D) the time savings compared to finding the exact price for each item


### Question 1357
The liquidation phase of an annuity is characterized by:
- I. paying money into the fund
- II. money is paid into the fund, but no interest is earned
- III. the fund balance may earn compound interest

A) I only  
B) III only  
C) both I and II  
D) II only


### Question 1358
Sales minus the cost of merchandise and operating expenses is known as the markdown.

A) True  
B) False


### Question 1359
Cumulative preferred stock is entitled to dividends in arrears.

A) True  
B) False


### Question 1360
Which of the following is not typically a factor in determining one’s rate classification for life insurance?

A) sky diving  
B) family health history  
C) credit rating  
D) weight/height ratio


### Question 1361
Sarah has made a budget for how much she will spend on activities this summer. The circle graph below shows how she has divided up her spending money.

- Movies, $50
- Sporting Events, $50
- Concerts, $125
- Amusement Parks, $100
- Crafts, $25

What percent of Sarah’s budget is allocated for movies?

A) 5%  
B) 50%  
C) 15%  
D) 10%

Question 1362
An individual that is interested in permanent life insurance protection while also concerned with flexibility would most likely choose:
A) term insurance
B) level term insurance
C) whole life
D) universal life

Question 1363
The declining balance method always uses 200% as a base value.
A) True
B) False

Question 1364
If a group or series of numbers has an even number of members, there is no median.
A) True
B) False

Question 1365
Straight-line depreciation does not:
A) accelerate depreciation
B) allow the cost to remain the same
C) use the residual value to determine the annual depreciation
D) allow the user to calculate the book value

Question 1366
The multiplicand is the answer to a multiplication problem.
A) True
B) False

Question 1367
The units-of-production depreciation method may be used in conjunction with the straight line method.
A) True
B) False

Question 1368
PITI includes:
A) principal, income, taxes, insurance
B) principal, interest, taxes, insurance
C) payment, income, time, interest
D) payment, interest, time, income

Question 1369
When solving a simple interest problem, the rate should be written as a decimal number.
A) True
B) False

Question 1370
The payments for an ordinary annuity are made at the end of each period.
A) True
B) False
Question 1371

Subtract 0.0551 from 36
A) 35.4449
B) 35.9449
C) 36.0449
D) 36.0551

Question 1372

An employee is paid based on a sliding scale. As the number of items produced increases so does the rate per item. This is called a:
A) special overtime rate
B) piecework rate
C) differential piece rate
D) production rate

Question 1373

Which of the following items is not a deduction from an employee’s paycheck?
A) FUTA tax
B) Social Security tax
C) federal income tax
D) Medicare tax

Question 1374

The single discount equivalent of 20/20/20 is 0.488.
A) True
B) False

Question 1375

“For Deposit Only” is the least restrictive form of endorsement.
A) True
B) False

Question 1376

To best measure the liquidity of a business:
A) calculate the current ratio
B) calculate both the working capital and current ratio
C) calculate the working capital
D) calculate the leverage ratio

Question 1377

The sum of all values divided by the number of values equals the:
A) mean
B) median
C) weighted mean
D) mode

Question 1378

A car company sold 9639 cars over the last 5 years. Round the number of cars to the nearest hundred.
A) 9500
B) 9610
C) 9600
Question 1379

Find the gross profit margin ratio if The Rose Garden Cafeteria had net sales of $395,281, and its cost of goods sold was $180,042. Round to three decimal places.
A) 0.455 to 1
B) 2.195 to 1
C) 1.195 to 1
D) 0.545 to 1

Question 1380

Central Airlines offers a trade discount series of 5/30/10 for frequent flyers. If a round-trip airline ticket is $485, use the single discount equivalent to calculate the trade discount of a round-trip ticket.
A) $290.27
B) $266.75
C) $194.73
D) $218.25

Question 1381

Open-end loans are often called line-of-credit accounts.
A) True
B) False

Question 1382

Calculate the trade discount for 3 chairs if the unit price is $39 and a single trade discount of 6.25% is allowed. Round to the nearest cent.
A) $41.44
B) $2.44
C) $7.31
D) $73.13

Question 1383

Before fractions may be added or subtracted, they must all have the same:
A) dividend
B) denominator
C) numerator
D) divisor

Question 1384

Last week Cecelia picked 318 pumpkins. Find her gross weekly earnings if she is paid at the following differential piece rate.
1-200 pumpkins picked $0.13 each
201-350 pumpkins picked $0.17 each
350 or more pumpkins picked $0.20 each
A) $46.06
B) $54.06
C) $41.34
D) $49.60

Question 1385

Find the ordinary interest on a loan of $850 at 11% annually made on February 10 and due May 31.
A) $28.31
B) $93.50
C) $878.57
D) $28.57
Question 1386
If patio furniture costs $500.00 and sells for $550.00, the percent markup based on selling price is 10%.
A) True
B) False

Question 1387
The effective rate is:
A) the interest for one year divided by the principal
B) the interest for one year divided by the annual rate
C) never related to the compound table
D) the interest for one year divided by the principal for three years

Question 1388
A store manager paid $113 for an item and set the selling price at $132.21. What was the percent markup based on cost?
A) 16%
B) 14%
C) 15%
D) 17%

Question 1389
The Rate is usually written as a decimal or fraction but rarely as a percent.
A) True
B) False

Question 1390
The curve of a normal distribution has a shape that is a mirror image above the mean compared to below the mean. This means that a normal distribution has a _______ curve.

Question 1391
A trade discount can be taken if a customer pays the invoice within the discount period.
A) True
B) False

Question 1392
Poor visibility caused Vicky Weiner's car to crash into another car. She had 25/50/10 vehicle insurance and collision coverage with a $300 deductible. Damage to her car was $3687 and to the other car was $11,200. The driver of the other car had $43,000 in medical expenses and the passenger of the other car had $37,000 in medical expenses. How much will the company pay and how much must Vicky Weiner pay?
A) $63,387, $30,300
B) $64,587, $31,500
C) $63,387, $31,500
D) $64,587, $30,300

Question 1393
The verb in a word problem connects the unknown quantity with the known quantity and stands for:
A) addition
B) equals
C) multiplication
D) subtraction
Question 1394

When making a partial payment before the maturity date, the U.S. Rule states:
A) any partial loan payment first reduces the adjusted principal
B) any partial loan payment first covers any interest that has accumulated
C) any partial loan payment first reduces the principal
D) any partial loan payment is applied equally to principal and interest

Question 1395

The Percentage can refer to the partial amount or portion of the rate.
A) True
B) False

Question 1396

The original price on a shirt is $19.66. If you receive a $3.51 discount, how much does the shirt cost?
A) $22.66
B) $16.15
C) $16.66
D) $23.17

Question 1397

The complement of 32 percent is:
A) 132%
B) 68%
C) 86%
D) 53%

Question 1398

The number of years of useful life is not a consideration in:
A) sum-of-the-years-digits method
B) units-of-production method
C) straight-line method
D) declining balance method

Question 1399

Markup = $19.44; Selling price = $60.23. Find the cost and the rate of markup based on cost.
A) Cost: $79.67
Rate of markup based on cost: 32.3%
B) Cost: $40.79
Rate of markup based on cost: 47.7%
C) Cost: $79.67
Rate of markup based on cost: 24.4%
D) Cost: $60.23
Rate of markup based on cost: 32.3%

Question 1400

A common mistake, in multiplication, is the failure to indent the:
A) multiplicand
B) partial products
C) product
D) multiplier
### Question 1401

\[-18 + 92\]

A) 110  
B) 84  
C) 74  
D) 70  


### Question 1402

In a leap year, February has _______ days.

A) 30  
B) 31  
C) 29  
D) 28  


### Question 1403

The numerator of the rebate fraction is the number of months remaining on a loan.

A) True  
B) False  


### Question 1404

The individual, organization, or business that carries the insurance or financial protection against future losses is called the:

A) policyholder  
B) underwriter  
C) beneficiary  
D) insurer  


### Question 1405

If costs and expenses are greater than the markup, for a given period, the difference is called:

A) gross margin  
B) net loss  
C) markdown  
D) reduced price  


### Question 1406

Willa’s Florist receives an invoice for $2,865.00, which includes an $85.00 freight charge, dated October 24. The credit terms are 3/10, 1/15, N/30. If the invoice is paid on November 7, the amount due is:

A) $2,752.20  
B) $2,942.90  
C) $2,837.20  
D) $2,572.80  


### Question 1407

A mill is one hundredth of a dollar.

A) True  
B) False  


### Question 1408

64% of what number is 57?

A) rate (%) = 64%  
B) base (of) = 57  
C) portion (is) = unknown number  

B) rate (%) = unknown number
   base (of) = 64
   portion (is) = 57%
C) rate (%) = 64%
   base (of) = unknown number
   portion (is) = 57
D) rate (%) = 57%
   base (of) = 64
   portion (is) = unknown number

Question 1409
If 3100 is increased by 12%, what is the new amount?
A) 3112
B) 3472
C) 6820
D) 372

Question 1410
Find the sales charge percent for one share of MLSAX mutual fund stock if the stock was offered at $11.63 per share and has a net asset value of $11.16. Round to three decimal places.
A) 2374.468%
B) 4.211%
C) 4.041%
D) 2474.468%

Question 1411
In one country, it is estimated that in the year 2050, 4% of the population will be over 70. If the population of this country in 2050 is 380 million, how many people will be over 70?
A) 15.20 million
B) 11.40 million
C) 152.00 million
D) 19.00 million

Question 1412
If a manufacturer offers a discount of 30/25/5, total discount of 60% is allowed.
A) True
B) False

Question 1413
Shawn scored 100% on his first exam. The decimal equivalent is 100.00.
A) True
B) False

Question 1414
At a movie theater, 24 more people attended the early show than the late show. There were 252 people who saw the movie that night. How many people attended the late show?
A) 138
B) 228
C) 276
D) 114

Question 1415
A stockbroker bought 45 shares of stock for $47.98 each. What was the total amount of the purchase?
<table>
<thead>
<tr>
<th>Question 1416</th>
</tr>
</thead>
<tbody>
<tr>
<td>The unpaid balance in an account on December 1 was $145. A payment of $60 was made on December 14. The interest rate per month was 1.7% per month of the average daily balance. Find the finance charge for the month of December.</td>
</tr>
<tr>
<td>A) $1.45</td>
</tr>
<tr>
<td>B) $3.91</td>
</tr>
<tr>
<td>C) $1.97</td>
</tr>
<tr>
<td>D) $1.87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1417</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans in which there is no fixed number of payments and the interest is calculated on the unpaid balance at the end of each payment period are referred to as:</td>
</tr>
<tr>
<td>A) average daily balance loans</td>
</tr>
<tr>
<td>B) basic installment loans</td>
</tr>
<tr>
<td>C) open-end loans</td>
</tr>
<tr>
<td>D) closed-end loans</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1418</th>
</tr>
</thead>
<tbody>
<tr>
<td>A 60.0% markup based on cost is equivalent to what percent based on selling price (retail)?</td>
</tr>
<tr>
<td>A) 33.3%</td>
</tr>
<tr>
<td>B) 37.5%</td>
</tr>
<tr>
<td>C) 66.7%</td>
</tr>
<tr>
<td>D) 62.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1419</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many zeros are affixed to the number to multiply it by 1000?</td>
</tr>
<tr>
<td>A) one</td>
</tr>
<tr>
<td>B) four</td>
</tr>
<tr>
<td>C) two</td>
</tr>
<tr>
<td>D) three</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1420</th>
</tr>
</thead>
<tbody>
<tr>
<td>Juan earns a weekly salary of $820.00 and is nonexempt from FLSA. Last week he worked 53 hours. What are his gross earnings for the week?</td>
</tr>
<tr>
<td>A) $1219.75</td>
</tr>
<tr>
<td>B) $1279.25</td>
</tr>
<tr>
<td>C) $1160.25</td>
</tr>
<tr>
<td>D) $1281.25</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1421</th>
</tr>
</thead>
<tbody>
<tr>
<td>The primary advantage(s) to a taxpayer that itemizes deductions is:</td>
</tr>
<tr>
<td>A) charitable contributions may be included</td>
</tr>
<tr>
<td>B) interest on certain loans may be included</td>
</tr>
<tr>
<td>C) taxpayers will reduce taxable income when compared to the standard deduction</td>
</tr>
<tr>
<td>D) all of these are advantages typically associated with itemizing deductions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 1422</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks pay interest on some checking accounts.</td>
</tr>
<tr>
<td>A) True</td>
</tr>
<tr>
<td>B) False</td>
</tr>
</tbody>
</table>
Question 1423
An employee’s overtime rate of pay is normally 1.2 times the regular hourly rate.
A) True
B) False

Question 1424
Solve the formula \( d = rt \) for \( t \)
A) \( t = d - r \)
B) \( t = \frac{d}{r} \)
C) \( t = \frac{r}{d} \)
D) \( t = dr \)

Question 1425
337,060
A) three thousand, thirty-seven hundred six
B) three hundred thirty-seven thousand, sixty
C) thirty-three thousand, seven hundred sixty
D) thirty-three million, seven thousand, sixty

Question 1426
When pay is based upon the number of units produced, as in straight piece rate pay, workers have an incentive to work slowly.
A) True
B) False

Question 1427
All bond interest is tax exempt.
A) True
B) False

Question 1428
The range is the result of subtracting the smallest value from the largest value in a group of numbers.
A) True
B) False

Question 1429
A formula expresses:
A) a relationship among quantities
B) known quantities
C) a portion relationship greater than 100
D) a percentage less than 100

Question 1430
When terms include FOB Shipping Point, the buyer pays the freight costs.
A) True
B) False

Question 1431
The total cost of ending inventory in the specific identification method is equal to the number of units in ending inventory times the actual cost per unit.
A) True
Question 1432
Which of the following would best represent a perishable?
A) investment products
B) art work
C) a new car
D) vegetables

Question 1433
The decimal 0.0023 would be written as 0.23%.
A) True
B) False

Question 1434
Two hundred twenty-two percent would be equal to 2.22 as a decimal.
A) True
B) False

Question 1435
The reciprocal is not used in dividing fractions.
A) True
B) False

Question 1436
You must first regroup the digits in the minuend when it becomes necessary to subtract a digit from a smaller digit.
A) True
B) False

Question 1437
Sometimes it can be profitable to borrow money so that you can take advantage of a cash discount.
A) True
B) False

Question 1438
Annuities can be calculated manually or with the use of a computer.
A) True
B) False

Question 1439
Find the adjusted balance due at maturity for a 180 day note of $38,400 at 11.8% ordinary interest if a partial payment of $20,000 is made on the 100th day of the loan.
A) $515.49
B) $20,174.16
C) $19,658.67
D) $1258.67

Question 1440
In an equation, variables are always represented by:
A) X, Y, or Z
Question 1441

The position of a digit in a decimal determines its:
A) place
B) size
C) location
D) value

Question 1442

A local dealer sells baseballs for $25 each. If $6.23 is the cost, what is the percent of markup on the selling price?
A) 8.3%
B) 57.1%
C) 75.1%
D) 42.9%

Question 1443

When writing an equation, unknown quantities are represented by:
A) letters
B) numbers
C) symbols
D) parentheses

Question 1444

When interest is added to the principal and interest is again calculated on the new balance, the process is known as compound interest.
A) True
B) False

Question 1445

Steve Nyren is paid on a salary-plus-commission basis. He receives $488 weekly in salary and a commission based on 1.1% of all weekly sales over $15,000. If he sold $23,700 in merchandise in one week, find his gross earnings for the week.
A) $95.70
B) $583.70
C) $748.70
D) $1445.00

Question 1446

The bank statement lists all the checks written and deposits made by a customer during the statement period.
A) True
B) False

Question 1447

Current assets plus current liabilities equals working capital.
A) True
B) False

Question 1448

When adding fractions with different denominators, you must first find the_____
Question 1449
In a division problem that comes out evenly (with no remainder), the dividend always equals the ________ times the ________.
A) remainder, divisor
B) quotient, remainder
C) divisor, quotient
D) dividend, divisor

Question 1450
To divide by a fraction, divide the dividend by the reciprocal of the dividend.
A) True
B) False

Question 1451
The installment price of a watch is $310.74 with 6 monthly payments and a down payment of $30. Find the monthly payment.
A) $19.26
B) $280.74
C) $16.74
D) $46.79

Question 1452
In word problems a multiplication sign is sometimes indicated by the word "of."
A) True
B) False

Question 1453
To determine the average inventory, you subtract the beginning inventory from the ending inventory balances and divide by two.
A) True
B) False

Question 1454
To find the face value required by the coinsurance clause for full compensation is:
A) 80% times the face value
B) the amount of insurance carried divided by 80%
C) 80% times the actual cost
D) 80% times the replacement value

Question 1455
$17.9844
A) $18.0
B) $17.97
C) $17.99
D) $17.98

Question 1456
Markup is sometimes referred to as net profit.
A) True
B) False

Question 1457
In the multiplication problem $623 \times 32 = 19,936$, the number 623 is the multiplier.
**Question 1458**

Outstanding checks:
A) have not been received and processed by the bank  
B) are the bank's checks  
C) have been presented to the bank and paid  
D) are the checks that are returned to the payor  


**Question 1459**

The difference between gross earnings and net earnings is referred to as deductions.  
A) True  
B) False  


**Question 1460**

Speedy Cleaning Service had a cost of beginning inventory of $40,000, net sales of $222,000, and gross sales of $401,000. Find the beginning inventory percent of net sales and gross sales percent of net sales.  
A) beginning inventory percent of net sales: 18.0%, gross sales percent of net sales: 180.6%  
B) beginning inventory percent of net sales: 65.3%, gross sales percent of net sales: 18.0%  
C) beginning inventory percent of net sales: 180.6%, gross sales percent of net sales: 18.0%  
D) beginning inventory percent of net sales: 18.0%, gross sales percent of net sales: 65.3%  


**Question 1461**

Two hundred forty-three thousand, two hundred sixty-four.  
A) 200,043,264  
B) 240,264  
C) 204,264  
D) 243,264  


**Question 1462**

When dividing by a decimal you should first change the divisor into a _________.  


**Question 1463**

The property tax rates per dollar are always rounded upward.  
A) True  
B) False  


**Question 1464**

$700 at 4% compounded quarterly for 4 years  
A) $112.00  
B) $120.81  
C) $728.42  
D) $118.90  


**Question 1465**

Sarah Fields wants to borrow $121,000 at 6.5% to buy a house. How much interest would she save by going with a 15-year mortgage over a 25-year mortgage?  
A) $55,321.20  
B) $68,752.20  
C) $85,595.40  

Question 1466

A promissory note owed to the business is called a:
A) mortgage payable
B) notes/accounts payable
C) note receivable
D) note payable


Question 1467

Under the straight-line method, the annual amount of depreciation varies based upon the number of items purchased.
A) True
B) False


Question 1468

Fifty thousand, seven hundred sixty-seven.
A) 5767
B) 50,767
C) 50,067
D) 500,767


Question 1469

Changing positional notation is the result of borrowing in subtraction.
A) True
B) False


Question 1470

The weighted-average inventory method continuously tracks each item in the inventory.
A) True
B) False


Question 1471

Markup = $16.15; Selling price = $95.00. Find the cost.
A) Cost: $78.85
B) Cost: $95.00
C) Cost: $111.15
D) Cost: $16.15


Question 1472

$215.57
A) $215
B) $214.57
C) $216
D) $215.50


Question 1473

Jennifer Mason earns $5312.15 monthly, is single, and claims 2 withholding allowances. Find her net earnings for this pay period. FICA tax is 4.2% and Medicare tax is 1.45%.
A) $4518.05
B) $4217.91
C) $5012.01
Question 1474
The one to whom a check is written and the money paid is called the:
A) drawer
B) maker
C) payor
D) payee

Question 1475
Solve the formula $M = S - N$ for $S$.
A) $S = M - N$
B) $N = M + S$
C) $S = M + N$
D) $N = M - S$

Question 1476
The original selling price minus the sale price is called the:
A) reduced price
B) gross margin
C) markdown
D) markup

Question 1477
If the bank discovers an error and increases your account balance, the memo you receive from the bank is a credit memo.
A) True
B) False

Question 1478
The number of times an inventory is sold and replaced during a given period is referred to as inventory turnover.
A) True
B) False

Question 1479
The amount by which the selling price of an item is reduced is referred to as the:
A) margin
B) cost
C) markdown
D) reduced price

Question 1480
All earnings are typically subject to Medicare tax, while Social Security earnings:
A) are reduced by withholding allowances
B) are capped at $110,100 per year
C) are capped at $100,000 per quarter
D) are capped at 5.4% FUTA per quarter

Question 1481
Calculate the return on investment for 1500 shares of a mutual fund purchased with an offer price of $11.91 if the shares were sold with a NAV of $13.82. The shares paid a dividend of $0.30 per share during ownership.
A) 18.56% (gain)
Question 1482

An electronic funds transfer (EFT):
A) uses only debit memos
B) is a paperless transaction
C) can be done manually
D) makes use of checks

Question 1483

Open-end loans are also known as:
A) APR loans
B) installment loans
C) line-of-credit accounts
D) basic loans

Question 1484

If you have a series of markdowns, each markdown is based on the original selling price.
A) True
B) False

Question 1485

When using sum-of-the-years-digits method, the first year's depreciation should be the:
A) same as any other year
B) cost times a fraction
C) smallest
D) largest

Question 1486

To find the net price without subtracting the single trade discount rate, use the:
A) a complement of the single trade discount rate
B) net price equivalent
C) complement of the discount series
D) discount series

Question 1487

If Barbara earns a salary of $15,860 a year and is paid semimonthly, how much does she earn in a semimonthly pay period?
A) $610.00
B) $660.83
C) $305.00
D) $1321.67

Question 1488

When looking at the problem "63% of 75 is what number?" the base is unknown.
A) True
B) False

Question 1489

Keisha has been watching a leather coat at the mall. The original price was $379.95. It went on sale yesterday for $265.96. The coat was reduced
Question 1490

Under what method of valuing inventory are the oldest goods assumed to be the items composing ending inventory?
A) retail
B) specific identification
C) FIFO
D) LIFO

Question 1491

Percents can contain:
A) whole numbers
B) fractions
C) mixed numbers and mixed decimals
D) all of these

Question 1492

The difference between the markup and the selling price is the markdown.
A) True
B) False

Question 1493

Which of the following statements is not correct regarding straight-line depreciation?
A) it ignores the salvage value
B) it incorporates the useful life of the asset
C) it is commonly used for internal business purposes
D) each year's depreciation is exactly the same

Question 1494

If employees are paid biweekly, they receive a paycheck twice a week.
A) True
B) False

Question 1495

Rate is the number of days, months, or years that money is borrowed.
A) True
B) False

Question 1496

In a markdown, the markdown can be based on either the cost or sale price.
A) True
B) False

Question 1497

February 11 is the due date of a 100-day (exact time) loan dated November 3.
A) True
B) False
Question 1498
The price paid for the use of money is called interest.
A) True
B) False

Question 1499
Which one of the following is not considered to be overhead?
A) insurance
B) depreciation
C) taxes
D) cost of goods

Question 1500
An item has a 41.1% markup based on selling price. What is the equivalent markup percent based on the cost?
A) 30.2%
B) 70.9%
C) 29.1%
D) 69.8%

Question 1501
When you receive your bank statement, the bank’s balance should always agree with your account register.
A) True
B) False

Question 1502
The individual, organization, or business that carries the insurance is called the underwriter.
A) True
B) False

Question 1503
Find the exact interest on a loan of $7500 at 13% annually made on July 17 and due November 30.
A) $360.21
B) $355.27
C) $368.33
D) $363.29

Question 1504
Barbra Allen is paid a(n) 9% commission rate plus a base salary of $1300 each month. Her sales last month were $6040. Find her gross earnings for the month.
A) $756.40
B) $660.60
C) $1817.71
D) $1843.60

Question 1505
The installment price minus the down payment equals the:
A) carrying charge
B) cash price
C) net price
D) total payments
Question 1506
The specific order in which calculations must be performed to evaluate a series of calculations is referred to as:
A) orderly understanding of variables
B) multiple operations
C) the order of operations
D) the isolation of variables

Question 1507
Publicly held corporations are characterized by:
I. they sell shares of stock to the public
II. stock in these corporations are publicly traded
III. all stock is held privately by individuals or groups
A) III only
B) I only
C) both I and II
D) II only

Question 1508
The net decimal equivalent rate should be rounded before the single discount equivalent rate is calculated.
A) True
B) False

Question 1509
When comparing markup based on cost to markup based on selling price:
A) all else being equal, markup based on cost will result in a higher markup rate
B) none of these
C) markup based on cost provides more profit for the business
D) when using markup based on selling price, cost can never be determined

Question 1510
A markdown is the difference between the sale price and the original selling price.
A) True
B) False

Question 1511
When solving an equation, you should attempt to isolate the unknown on the right side and the numbers/symbols on the left side.
A) True
B) False

Question 1512
Find the assessed value of a store with a market value of $174,000 if the rate for assessed value is 46% of market value.
A) $93,960
B) $800,400
C) $40,020
D) $80,040

Question 1513
The primary advantage of perpetual inventory is:
A) a physical count of goods or inventory is done perpetually
B) all of these pertain to perpetual inventory
C) discrepancies between the physical inventory and the automated system are virtually impossible
Question 1514

When calculating the assessed value of a property:
I. the assessed value is a specified percent of the market value
II. the same percentage will be applied to all property types within a city
III. the percentage may vary according to the type of property
A) I only
B) III only
C) II only
D) both I and III

Question 1515

Find the mean of the scores: 9, 5, 17, 27, 40, 42, 50. Round to tenths.
A) 16.2
B) 27
C) 27.1
D) 261.6

Question 1516

An equation is a statement that uses a division sign.
A) True
B) False

Question 1517

Cost is the base when markup is based on the selling price.
A) True
B) False

Question 1518

A visual aid often used to compare related data is a:
A) line graph
B) range graph
C) bar graph
D) mode graph

Question 1519

In business, statistics might be used for which of the following:
A) all are appropriate uses of statistics in business
B) to budget for future spending and expenses
C) to help improve or increase sales
D) to gather information about customers

Question 1520

Social Security tax and Medicare tax are:
A) withheld from the employee’s paycheck and matched by the employer
B) calculated based upon the W-4 form
C) only paid by the employer
D) only paid by the employee

Question 1521
If you save $41.18 off the list price buying from a discount catalog, and the list price is $112.28, what is the discount price?
A) $71.10
B) $151.00
C) $70.10
D) $153.46

Question 1522

Which method bases depreciation on total cost?
A) declining balance
B) straight-line
C) units-of-production
D) sum-of-the-years-digits

Question 1523

Find the P/E ratio of a corporation that reported last year's net income of $11.48 per share if the company's stock sells for $31.59 per share.
A) 4
B) 3
C) 1
D) 30

Question 1524

Calculate the property tax on a store with an assessed value of $162,000 if the tax rate is 53 mills per $1.00 of assessed value.
A) $858.60
B) $3056.60
C) $8586.00
D) $85,860.00

Question 1525

People whose entire salary is based on a percent of sales are said to be working on:
A) differential scale
B) straight commission
C) piecework
D) salary-plus-commission

Question 1526

The Federal Insurance Contribution Act resulted in what tax?
A) SUTA
B) withholding
C) FUTA
D) Social Security

Question 1527

The balance sheet contains the three elements of any business: assets, liabilities, and owner's equity.
A) True
B) False

Question 1528

Mai earns a gross weekly income of $464.00. How much Social Security tax should be withheld the first week of the year? How much Medicare tax should be withheld? Assume a 4.2% FICA rate and a 1.45% Medicare rate. Round to the nearest cent.
A) Social Security tax = $1.95
Medicare tax = $0.67
B) Social Security tax = $194.90
Medicare tax = $67.28

C) Social Security tax = $19.49
Medicare tax = $6.73
D) Social Security tax = $20.49
Medicare tax = $7.73

Question 1529
Rafael makes labels for a major distributor. He is paid $0.73 for each label and records the following number of completed labels: Monday, 74; Tuesday, 92; Wednesday, 119; Thursday, 111; Friday, 122. How much will he be paid for his work for the week?
A) $378.14
B) $378.87
C) $377.41
D) $289.08

Question 1530
The installment payment is equal to the installment price divided by the number of payments.
A) True
B) False

Question 1531
Gross income minus adjustments, exemptions, and deductions is equal to taxable income.
A) True
B) False

Question 1532
An invoice in the amount of $1,195.00 with credit terms of 2/10, 1/20, N/30 is dated June 25. If it is paid on July 5, a discount of $23.90 is allowed.
A) True
B) False

Question 1533
Find the maturity value of a loan of $13,942 after 8 months. The loan carries a simple interest rate of 11.9% per year.
A) $15,057.36
B) $14,909.81
C) $15,186.32
D) $15,048.07

Question 1534
An invoice in the amount of $1,195.00 with credit terms of 2/10, 1/20, N/30 is dated June 25. If it is paid on July 5, a discount of $23.90 is allowed.
A) True
B) False

Question 1535
If 7 sandwich rolls cost $1.12, how much will 21 rolls cost?
A) $4.36
B) $7.84
C) $9.84
D) $3.36

Question 1536
Find the property tax on a property with an assessed value of $42,770 in a community with a tax rate of $58.50 per $1000 of assessed value.
A) $250.21  
B) $731.11  
C) $2502.05  
D) $7311.10  

**Question 1537**

In a graduated payments mortgage, the payments _________, while in an adjustable-rate mortgage, the rates _________.
A) become larger, may change up or down  
B) become smaller, may change up or down  
C) become larger, likely will go down  
D) become smaller, likely will go up  

**Question 1538**

The fee a bank charges for maintaining a checking account is referred to as a(n):
A) ATM charge  
B) NSF charge  
C) returned check charge  
D) service charge  

**Question 1539**

At a garage sale, the most expensive item was marked $25.00 more than the cheapest item. The sum of the two items was $26.90. Find the cost of the least expensive item.
A) $26.90  
B) $1.90  
C) $22.10  
D) $3.80  

**Question 1540**

A car rental company charges $23 per day and $0.40 per mile to rent a car. What is the total bill if a car is rented for 3 days and is driven 130 miles?
A) $3042.00  
B) $17.00  
C) $121.00  
D) $70.20  

**Question 1541**

Most of the time that you see the word "of" in a word problem, you can assume the problem involves:
A) division  
B) subtraction  
C) addition  
D) multiplication  

**Question 1542**

If a parenthetic expression is a part of an equation, you remove the parentheses by _________ each term within the parentheses by the number to the left of the parentheses.
A) subtracting  
B) adding  
C) multiplying  
D) dividing  

**Question 1543**

On a test, Manuel answered incorrectly 76 questions or 38% of the questions. How many questions were on the test?
A) 2000  
B) 50  


Question 1544

Jackie Stall receives 2% of sales plus $2.07 for each item she lists through her online listing service. In January she listed 229 items that sold for a total of $17,912. What were her gross earnings?

A) $358.24  
B) $474.03  
C) $832.27  
D) $4056.43 


Question 1545

If solving an equation with more than one operation, you must first:

A) add or subtract  
B) subtract or multiply  
C) add or divide  
D) multiply or divide 


Question 1546

The annual percentage yield is the effective rate of a(n) _________ while the annual percentage rate refers to the effective rate of a(n) _________.

A) investment, loan  
B) arrangement, yield  
C) loan, quota  
D) investment, yield 


Question 1547

If no decimal point appears in the addend, it is understood to be at the right end of the addend.

A) True  
B) False 


Question 1548

Line graphs are often used to compare several related values.

A) True  
B) False 


Question 1549

In an ordinary annuity, interest begins compounding on the investment:

A) at the end of the second period  
B) at the end of the first period  
C) during the first period  
D) at the beginning of the first period 


Question 1550

When calculating the average daily balance, cash advances are:

A) sometimes added in  
B) added in  
C) subtracted out  
D) sometimes subtracted out 


Question 1551

"Interest divided by (principal times rate)" is the formula to find time.
Question 1552

Which of the following is not an option available to an insured that no longer wishes to pay life insurance premiums on their whole life policy?
A) conversion
B) extended term insurance
C) cash value or surrender
D) paid-up insurance

Question 1553

The range is the difference between the highest and lowest values in a series or group of values.
A) True
B) False

Question 1554

$46,061.26
A) $46,061
B) $46,062
C) $46,061.3
D) $46,000

Question 1555

The product of the numerator of one fraction times the denominator of the other fraction of a proportion is called a:
A) equation
B) ratio
C) cross product
D) proportion

Question 1556

In a set with an even number of values, the median is the mean of the middle two numbers.
A) True
B) False

Question 1557

Proper placement of the partial products is essential when multiplying numbers that contain more than 2 digits.
A) True
B) False

Question 1558

The credit terms, 2/10, EOM, means if you pay the invoice within the first 10 days a discount of 2% will be allowed; otherwise the full invoice amount is due at the end of the month.
A) True
B) False

Question 1559

The value of the inventory turnover ratio has:
A) little meaning if not compared to another ratio
B) all of these apply to the inventory turnover ratio
C) value when used within the process of benchmarking
D) value to lending institutions when determining the risk of a business
### Question 1560

Find the acid-test ratio for Milton's business if the balance sheet shows the following amounts: cash, $35,214; receivables $10,737; marketable securities, $0; current liabilities $23,155. Round to two decimal places.

A) 1.16 to 1  
B) 1.06 to 1  
C) 1.98 to 1  
D) 3.28 to 1


### Question 1561

Earnings from the sale of goods or services is called gross profit.

A) True  
B) False


### Question 1562

Cost plus markup is equal to the selling price.

A) True  
B) False


### Question 1563

Amanda Ebbasi earns $3576.57 weekly, is married, and claims 4 withholding allowances. Find her net earnings for this pay period. FICA tax is 4.2% and Medicare tax is 1.45%.

A) $2935.58  
B) $3374.49  
C) $4015.48  
D) $2733.50


### Question 1564

Henry Daniels earns $2709 biweekly. He is single and claims 3 withholding allowances. He saves 2% of his salary for retirement and pays $24.50 in nonexempt insurance premiums each pay period. What are his net earnings for each pay period?

A) $2236.03  
B) $2630.32  
C) $2082.97  
D) $2871.55


### Question 1565

This type of vehicle insurance covers the insured's vehicle for damage resulting from an accident in which the driver of the insured vehicle is not at fault.

A) coinsurance  
B) comprehensive insurance  
C) liability insurance  
D) collision insurance


### Question 1566

Simple interest applies when a loan is repaid:

A) after more than one interest period  
B) as an installment  
C) for a credit card debt  
D) in a lump sum


### Question 1567
The terms of a loan indicate how often interest is compounded.
A) True
B) False

**Question 1568**

The price of an item on the retail market is called the:
A) markup price
B) margin price
C) selling price
D) markdown price

**Question 1569**

Biweekly wages would be earned ________ and paid ________.
A) by salary, every two weeks or 24 times a year
B) by salary, twice a month or 24 times a year
C) by the hour, every two weeks or 26 times a year
D) by the hour, twice a month or 26 times a year

**Question 1570**

An annuity with a specific number of periods is called an annuity certain.
A) True
B) False

**Question 1571**

An item has a 30.1% markup based on selling price. What is the equivalent markup percent based on the cost?
A) 56.9%
B) 76.9%
C) 23.1%
D) 43.1%

**Question 1572**

The sum is the answer or result of an addition problem.
A) True
B) False

**Question 1573**

\(-518 \div 14\)
A) -37
B) 37
C) -38
D) -6

**Question 1574**

When the amount of inventory is determined by a physical count, this is known as:
A) a weighted average inventory
B) a perpetual inventory
C) FIFO/LIFO
D) a periodic inventory

**Question 1575**

Sales tax is:
Question 1576
When reconciling your bank statement, outstanding checks should be deducted from the balance shown on your bank statement.
A) True
B) False

Question 1577
To find the mean, total the values in a group and multiply the sum by the number of values added.
A) True
B) False

Question 1578
Present value is best defined as:
A) the amount of a specified future value compounded at a specified rate which can be invested currently
B) all of these are appropriate definitions for present value
C) the amount that must be invested per year and compounded at a specified rate and time to reach a specified present value
D) the amount that must be invested now and compounded at a specified rate and time to reach a specified future value

Question 1579
An example of non-visual data presentation is the bar graph.
A) True
B) False

Question 1580
Jen’s Cycle Shop performs maintenance on and sells bicycles and has eight employees who are paid weekly. For one payroll period the withholding tax for all employees was $1762. The total Social Security tax withheld from employees’ paychecks was $1063, the employer’s share of Social Security tax was $1657, and the total Medicare tax withheld was $367. What is the total tax that must be deposited by Jen?
A) Employer’s tax deposit = $4849
B) Employer’s tax deposit = $3786
C) Employer’s tax deposit = $5216
D) Employer’s tax deposit = $4153

Question 1581
The pay period intervals biweekly and semimonthly are similar in that the same number of pay periods occur in either method.
A) True
B) False

Question 1582
Yield to maturity differs from current bond yield in that yield to maturity:
A) all of these pertain to yield to maturity
B) is measured past the maturity date
C) is measured for the life of the bond
D) compares annual earnings with the closing price of the bond

Question 1583
On a normal week day the vending machines at Green Lake College dispense 1260 sodas, 420 candy bars, 570 snack items, and 210 cups of coffee. If it takes Jim Lewis six hours to restock the vending machines, how many items does he restock each hour?
Question 1584

A company had net revenues of $6,900,845 in one year. Write the words used to read the revenues.
A) six million, ninety thousand, eight hundred forty-five
B) six million, nine hundred thousand, eight hundred forty-five
C) six million, nine hundred thousand, eight thousand, forty-five
D) six million, nine thousand, eight hundred forty-five

Question 1585

Sonja plans to save 1/10 of her salary each week, which is $350. To solve this problem use:
A) addition
B) subtraction
C) division
D) multiplication

Question 1586

If an unknown is used in an equation and no coefficient is in front of a letter, it is understood to be a(n):
A) 0
B) 1
C) unknown
D) 10

Question 1587

The amount of federal income tax withheld from an individual's paycheck has little to do with the marital status.
A) True
B) False

Question 1588

Ordinary interest using the exact time method is sometimes called the Banker's Rule.
A) True
B) False

Question 1589

The single discount equivalent rate of the trade discount 10/15/30 is:
A) 0.4500
B) 0.5500
C) 0.4645
D) 0.4546

Question 1590

To isolate a variable, you perform the opposite mathematical operation of the given operation to both sides of the equation.
A) True
B) False

Question 1591

When you multiply fractions, you do not have to use:
A) reciprocals
Question 1592
Round 22,219 to tens.
A) 22,210
B) 22,220
C) 22,320
D) 22,230

Question 1593
Buildings, machinery, equipment, and other items purchased for the operation of a business are part of the assets of that business.
A) True
B) False

Question 1594
The amount financed is equal to the cash price plus the down payment.
A) True
B) False

Question 1595
Find P if R = 75% and B = 200.
A) 1.5
B) 1500
C) 150
D) 15

Question 1596
Find the variance of the scores: 14, 14, 14, 17, 20, 20, 20. Round to tenths.
A) 9.0
B) 3
C) 2.8
D) 7.7

Question 1597
A form of credit term is 3/15, 2/25, N/40, which means:
I. a 3% discount is allowed if the invoice is paid within 15 days of the invoice date
II. a 2% discount is allowed if the invoice is paid within 25 days of the invoice date
III. a partial payment will not be accepted after the 25th day following the invoice date
A) both I and II
B) II only
C) III only
D) I only

Question 1598
In solving the following equation 3A + 1 = 16:
A) add, then subtract
B) multiply, then divide
C) subtract, then multiply
D) subtract, then divide
Question 1599
You have agreed to pay $395.87 for a new chaise lounge. The price includes sales tax at a rate of 4.25%. What was the marked price of the chaise lounge and how much tax was paid?
A) $383.41; $12.46
B) $277.80; $118.07
C) $376.12; $19.75
D) $379.73; $16.14

Question 1600
The single discount equivalent is the complement of the net price equivalent.
A) True
B) False

Question 1601
A pay system based on a percent of total dollar sales made is called an hourly rate.
A) True
B) False

Question 1602
An invoice of $420.00 is received with credit terms of 2/20, N/30. If it is paid within the discount period, the discounted amount is $8.40.
A) True
B) False

Question 1603
If Arnold earns a salary of $18,564 a year and is paid biweekly, how much is his gross pay per period?
A) $714.00
B) $1547.00
C) $773.50
D) $357

Question 1604
The total price is the marked price plus the sales tax.
A) True
B) False

Question 1605
The deposits or payments are made at the end of the period in ordinary annuities.
A) True
B) False

Question 1606
A common mistake when making conclusions or inferences from statistical measures is to examine only one statistic.
A) True
B) False

Question 1607
The offer to reduce the amount of an invoice, to encourage prompt payment, is called a trade discount.
A) True
B) False
| Question 1608 | Social Security tax is the same as withholding tax.  
A) True  
B) False  
|---|---|
| Question 1609 | The decline in value of an asset over a period of time is termed salvage value.  
A) True  
B) False  
| Question 1610 | The operating ratio is the cost of goods sold plus operating expenses divided by net sales.  
A) True  
B) False  
| Question 1611 | To find the rate in increase or decrease problems:  
A) divide the amount of change by the rate of change  
B) divide the amount of change by the larger amount  
C) divide the larger figure by the smaller figure  
D) divide the amount of change by the original amount  
| Question 1612 | A 17.9% markup based on cost is equivalent to what percent based on selling price (retail)?  
A) 15.2%  
B) 13.6%  
C) 86.4%  
D) 84.8%  
| Question 1613 | The product is equal to the multiplicand times the multiplier.  
A) True  
B) False  
| Question 1614 | In a calendar year (January through December), the two consecutive 31 day months are August and September.  
A) True  
B) False  
| Question 1615 | In the number 6,327.4892 the 8 is in the tenths position.  
A) True  
B) False  
| Question 1616 | An ATM is an overdraft protection process that allows you to write checks when your account balance is less than the amount of the checks.  
A) True  
B) False  
### Question 1617

The discount price is a catalog price which the manufacturer suggests each product should be sold for to the consumer.

A) True
B) False


### Question 1618

Commas separate every three digits from left to right.

A) True
B) False


### Question 1619

The straight-line method of depreciation is actually an accelerated method of depreciation.

A) True
B) False


### Question 1620

Division offers a way of understanding how the parts fit together as a whole.

A) True
B) False