Markup

Multiple Choice
Identify the choice that best completes the statement or answers the question.

_____   1.   The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.14	$4.41		
1 gal linseed oil	9.00	12.42		
Trim brush	1.26	2.03		
Drop cloth	4.20	5.37		
Paint remover	2.32	4.22		

Which of the items has a markup of $1.27?

a.   1 gal linseed oil
b.   Trim brush
c.   Paint remover

d.   12 oz paint
e.   Drop cloth

1

____ 2. The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_\Pr ice}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.82	$4.58		
1 gal linseed oil	9.00	12.75		
Trim brush	1.02	2.26		
Drop cloth	4.86	5.91		
Paint remover	2.10	4.61		

Which of the items has a markup of $1.05?

a. 1 gal linseed oil   d. Paint remover
b. 12 oz paint   e. Drop cloth
c. Trim brush

___   3. The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_\Pr ice}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.74	$4.35	$0.61	
1 gal linseed oil	9.00	12.58	3.58	
Trim brush	1.99	2.59	0.60	
Drop cloth	4.88	5.69	0.81	
Paint remover	2.48	4.04	1.56	

Which of the items has a markup rate of 28.46%?

a. 12 oz paint   d. Drop cloth
b. Trim brush   e. 1 gal linseed oil
c. Paint remover

____ 4. The formulas for markup and markup rate are provided below.

Markup $=$ Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.13	$4.64	$1.51	
1 gal linseed oil	9.00	12.29	3.29	
Trim brush	1.78	2.79	1.01	
Drop cloth	4.13	5.34	1.21	
Paint remover	2.66	4.09	1.43	

Which of the items has a markup rate of 22.66%?

a. Drop cloth
b. 1 gal linseed oil
c. 12 oz paint

d. Trim brush
e. Paint remover

____ 5. The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.89	$4.90	$1.01	
1 gal linseed oil	9.00	12.37	3.37	
Trim brush	1.79	2.87	0.92	
Drop cloth	4.95	5.42	0.47	
Paint remover	2.89	4.86	1.97	

Which of the items has the markup incorrectly calculated?

a. 12 oz paint   d. Paint remover
b. 1 gal linseed oil   e. Drop cloth
c. Trim brush

____ 6. The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Item	Cost	Selling price	Markup	Markup rate
12 oz paint	$3.38	$4.83	$1.45	
1 gal linseed oil	9.00	12.37	3.37	
Trim brush	1.92	2.88	0.96	
Drop cloth	4.14	5.26	1.12	
Paint remover	2.30	4.80	2.61	

Which of the items has the markup incorrectly calculated?

a. Paint remover
b. Trim brush
c. 12 oz paint

d. 1 gal linseed oil
e. Drop cloth

Numeric Response

7. The formulas for markup and markup rate are provided below.

Markup = Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Kado Benefield has worked at DeLorean Motor Company in the purchasing department for the past 11 years. Kado is ordering $4,387.86 of hibdites that the company will sell for a total of $7,591.00. What is the markup amount? Express your answer as a dollar amount to the nearest cent.

8. The formulas for markup and markup rate are provided below.

Markup $=$ Selling Price - Cost

$$Markup\_Rate = \frac{Markup}{Selling\_Price}$$

Marty Gillespie has worked at Montgomery Ward in the purchasing department for the past 9 years. Marty is ordering $2,605.03 of shollars that the company will sell for a total of $3,777.30. What is the markup amount? Express your answer as a dollar amount to the nearest cent.

Markup
Answer Section

MULTIPLE CHOICE

    1. ANS: D   PTS: 1
    2. ANS: E   PTS: 1
    3. ANS: E   PTS: 1
    4. ANS: A   PTS: 1
    5. ANS: C   PTS: 1
    6. ANS: A   PTS: 1

NUMERIC RESPONSE

    7. ANS: 3,203.14

        PTS: 1
    8. ANS: 1,172.27

        PTS: 1