

## Using a Charge Account

**EXAMPLE**

Ryan has bought supplies for her floral shop on her credit card. She owes \$330.00. The minimum payment due is \$40.00. Ryan decides to pay \$80.00. That is more than her minimum so that she can pay it off faster. Ryan's interest charge per month is 0.9% of the unpaid balance. How much will she owe next month if she makes no new purchases?

**Step 1** Subtract the payment from the balance to find unpaid balance.

$$\begin{array}{r} \$330.00 \text{ Balance} \\ - 80.00 \text{ Payment} \\ \hline \$250.00 \text{ New Balance} \end{array}$$

**Step 2** Find the interest on the unpaid balance.

$$\begin{array}{r} \$250.00 \\ \times .009 \\ \hline \$ 2.25 \end{array}$$

**Step 3** Add the interest to the unpaid balance to find the new balance.

$$\begin{array}{r} \$250.00 \\ + 2.25 \\ \hline \$252.25 \end{array}$$

Ryan now owes \$252.25 on her charge account.

**Directions** Find the interest and new balance on these charge accounts.

	Balance	Payment	Unpaid Balance	Interest Rate per Month	Interest	New Balance
1.	\$100.00	\$20.00		1.2%		
2.	\$1,020.00	\$100.00		1.5%		
3.	\$450.00	\$45.00		1.6%		
4.	\$825.00	\$85.00		0.9%		
5.	\$56.00	\$2.80		1.4%		
6.	\$143.00	\$7.15		1.5%		
7.	\$253.00	\$12.65		1.6%		
8.	\$167.00	\$8.35		2.0%		
9.	\$52.70	\$2.64		1.8%		
10.	\$152.89	\$7.64		1.5%		
11.	\$376.14	\$18.81		1.3%		
12.	\$985.09	\$49.25		1.5%		
13.	\$552.17	\$27.61		1.6%		
14.	\$682.34	\$34.12		1.8%		

