

Using Credit Cards

EXAMPLE

Shawna decided to stop charging purchases and pay off her credit card, so she is determined to pay more than the minimum payment each month. Her unpaid balance is \$1,255.65. Interest is charged at 18% per year, 1.5% per month. If she pays \$300.00 this month, how much is the balance and how much is the interest?

Step 1 Subtract the payment from the balance.

$$\begin{array}{r} \$1,255.65 \\ - 300.00 \\ \hline \$ 955.65 \end{array}$$

Step 2 Determine the interest paid.

$$\begin{array}{r} \$955.65 \\ \times 1.5\% \\ \hline \$ 14.33 \end{array}$$

Step 3 Add the interest to the unpaid balance.

$$\begin{array}{r} \$ 955.65 \\ + 14.33 \\ \hline \$ 969.98 \end{array}$$

Directions Find the interest paid and the balance repaid on each of these credit cards.

	Balance	Payment	Unpaid Balance	Interest	New Balance
1.	\$3,476.54	\$300.00			
2.	\$1,279.80	\$250.00			
3.	\$946.72	\$400.00			
4.	\$532.14	\$200.00			
5.	\$2,645.10	\$150.00			
6.	\$725.36	\$300.00			
7.	\$426.17	\$200.00			
8.	\$300.00	\$150.00			
9.	\$400.00	\$200.00			
10.	\$695.88	\$300.00			
11.	\$1,429.76	\$400.00			
12.	\$2,678.53	\$500.00			
13.	\$4,075.10	\$450.00			
14.	\$2,392.14	\$392.14			
15.	\$1,854.67	\$254.67			
16.	\$3,462.15	\$262.15			

