Cash Discount Worksheet with Answers

Cash discounts and credit terms: practice

Name: _____ Date: _____

12 problems · Levels: Basic, Intermediate, Exam-style

Show your work. Count the exact days between dates (a payment on the deadline day still earns the discount). Keep interim values exact and round money to the nearest cent only in your final answer.

1. **Basic** A bakery supplier invoices a café $1,850 on March 14 with terms 2/10, n/30. The café pays on March 20. How much does the café pay?

2. **Basic** An invoice for $640 is dated November 2 with terms 3/10, n/30. The buyer pays on November 15. How much does the buyer pay, and when was the full amount due?

3. **Basic** An invoice is dated August 24 with terms 2/10, n/30. Find the discount deadline and the net due date.

4. **Basic** A $9,600 invoice dated December 1 has terms 1/10, n/30. The buyer pays on December 9. Find the cash discount and the amount paid.

5. **Intermediate** A $2,480 invoice is dated February 20 with terms 2/15, n/60. The buyer pays on March 6. Count the days from the invoice date and find the amount paid.

6. **Intermediate** An invoice for $4,180 includes $230 of freight. It is dated July 7 with terms 2/10, n/30, and the buyer pays on July 15. The discount does not apply to freight. Find the amount paid.

7. **Intermediate** A $6,000 invoice dated September 9 has terms 3/10, n/30. On September 17 the buyer sends $1,455 as a partial payment. Find the credit given and the balance due.

8. **Intermediate** A $3,500 invoice dated October 12 has terms 3/10, n/30. The buyer sends $1,000 on October 19. Find the credit given, the discount earned and the balance due. Round money to the nearest cent.

9. **Intermediate** An $8,450 invoice is dated June 27 with terms 2/10, n/30 EOM, and the course uses the 26th rule. The buyer pays on August 6. Find the discount deadline and the amount paid.

10. **Intermediate** A $3,900 invoice dated April 28 has terms 2/10, n/30 ROG. The goods arrive on May 9 and the buyer pays on May 22. Find the discount deadline, the net due date and the amount paid.

11. **Exam-style** A $5,400 invoice dated January 22 has terms 3/10 prox, n/25 prox. The buyer pays on February 10. Find the amount paid.

12. **Exam-style** A pump lists at $2,800 less a trade discount of 20/10/5. The invoice is dated April 6 with terms 2/10, n/30, and the buyer pays on April 14. How much does the buyer pay?

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Answer key

1. Cash discount $37.00; amount paid $1,813.00.
2. No discount (13 days is more than 10); the buyer pays $640.00. The full amount was due December 2.
3. Discount deadline September 3; net due date September 23.
4. Cash discount $96.00; amount paid $9,504.00.
5. 14 days after the invoice date, inside the 15-day period. Cash discount $49.60; amount paid $2,430.40.
6. Eligible amount $3,950.00; cash discount $79.00; amount paid $4,101.00.
7. Credit given $1,500.00 (a $45.00 discount); balance due $4,500.00.
8. Credit given $1,030.93; discount earned $30.93; balance due $2,469.07.
9. The periods start on July 31; discount deadline August 10. Cash discount $169.00; amount paid $8,281.00.
10. Discount deadline May 19, so no discount on May 22. Net due date June 8; amount paid $3,900.00.
11. The deadline is February 10, so the payment qualifies. Cash discount $162.00; amount paid $5,238.00.
12. Net price $1,915.20; cash discount $38.30 (from $38.304); amount paid $1,876.90.

Dates are in a year that is not a leap year unless the problem says otherwise. Amounts follow the rounding rule above, so your answer may differ by one cent if you rounded early.

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