The activity
Use this activity with your child to explore shopping and estimating what you’ll pay at the register. This is an introduction to the critical thinking skills, attitudes and habits, and basic financial decisions that are common when spending money. The price of an item isn’t always the same as the amount you pay at checkout, because of sales taxes. Your child can start developing the habit of estimating costs and mentally budgeting as you go.

Set up
Print one copy of this shopping activity (with the Sample Receipt and Round Off as You Go) for your child. Also, have a calculator ready.

What to do
Help your child understand how shopping totals are affected by sales taxes in your area. Point out prices to your child and discuss how something that is a specific price will be more at the checkout counter. On a future shopping trip, use the Round Off as You Go worksheet to help your child estimate total costs, including taxes.

This activity can help children in middle childhood develop healthy money habits, which is important to day-to-day money management as adults.

Things to talk about
Based on what your child discovers through the activity, consider ways that he or she could follow through. Each shopping trip is an opportunity to expand on the basic idea. For example, together you could:

- Look at a recent shopping trip receipt and compare the total prices with and without taxes.
- Have your child keep a tally of shopping items on a future trip and estimate the total costs, including taxes, before you check out.
- Discuss how taxes at a grocery store can differ from a gas station, or a big box store. (In your state, groceries might not be taxed, or might be taxed at a lower rate.)

Round off as you go
When you’re in the store, you might not have time to stop and calculate sales taxes. But if you don’t think about it, you might be surprised at the checkout. As you shop, use a rule of thumb: Round up each item to get an estimate of the total cost.

Examples:
- Round up $2.99 to $3.00
- Round up $1.25 to $1.50
Sample receipt

Quantity and weight
Items are sometimes listed by quantity and by weight, especially groceries like fruit. Many states do not put a sales tax on groceries.

Sales tax
Sales taxes vary by state and county. There also may be more than one sales tax.

Total
The total is $25.26, including taxes.

How was this total calculated?
First, calculate the total of all the items. This comes to $24.21. If you had $25.00 in your wallet, you’d be able to pay for everything.

Next, take a look at taxes. The first 4 items on the receipt are taxed. (The items marked with * are not taxed in this example.) Add these up and multiply by 0.07 for the 7% sales tax. The tax on just the 4 taxable items comes to $1.05.

Add $24.21 and $1.05 and the total you’ll pay at the register is $25.26. In this example, if you had exactly $25.00 in your wallet, you wouldn’t have enough to buy everything.

If you had rounded up the items that were taxable, you would have gotten a total of $25.25, which is very close to the actual total.
## Shopping estimator

<table>
<thead>
<tr>
<th>What you’re buying</th>
<th>Price <em>(find on the shelf or on the item)</em></th>
<th>Rounded up</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>2.</td>
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<td>9.</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>10.</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Estimated total, including taxes:** $

**Total from your receipt:** $

**How close was your estimate?** $