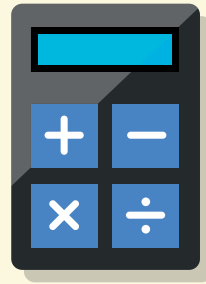




# The goods and service tax



This sequence is intended as a framework to be modified and adapted by teachers to suit the needs of a class group.

## Resources needed

- Goods and services tax (GST) – Video
- Sales, GST and profit – Worksheet
- Using spreadsheets – Visualiser
- Impact of GST – Investigation

## Other resources you might like

- Calculating GST at 10 percent – How-to-sheet
- Making an Excel spreadsheet using GST as an example – How-to-sheet
- Making an Excel spreadsheet – Flowchart

## Suggested activity sequence

### Part A: GST and how it works

- 1 Play: *Goods and services tax (GST)*. This video explains what the GST is and how it works.
- 2 Use a *grouping strategy* to organise students in groups of 3 or 4.
- 3 Groups construct a brief definition of GST and an explanation of how it works. Each group writes their definition and explanation on the board.
- 4 When all definitions and explanations are displayed, discuss the concept of GST and develop a simple class definition and explanation.

### Part B: Calculating GST

- 1 Explicitly teach students how to calculate GST from both the GST exclusive price and the GST inclusive price (that is, working forwards and backwards). *Calculating GST at 10 percent – How-to-sheet* might be a helpful resource for students.
- 2 You might like to get students to complete a table like this one as a practice activity:

Price (excluding GST)	GST	Price (including GST)
\$20.00		
		\$20.00
		\$2,500.00
\$2,500.00		
		\$300.00
\$300.00		
\$90.09		
		\$90.09
\$45.91		
		\$45.91

- 3 Students complete part 1 of the *Worksheet*.



### Part C: Investigating GST, profit and profit margins

- 1** As a class, read through part 2 of the worksheet. If necessary, use examples to demonstrate how to calculate profit, profit margins and percentage increase and decrease.
- 2** If students need support in setting up spreadsheets, display and explain how to use spreadsheets using the *Using spreadsheets – Visualiser*.
- 3** Reinforce learning by modelling the process of setting up an excel spreadsheet using the following scenario. If you're all working together on this, everyone will need access to a computer with spreadsheet software.

You work in an outdoor store and one of your tasks is to price items. The store wants to sell its down jackets for \$118, beanies for \$11, hiking shoes for \$145 and backpacks for \$46. How much GST do they need to add to each one and what will the final price on the price tag be?

Refer students to *Making an Excel spreadsheet using GST* as an example – How-to-sheet if needed.

- 4** Students complete parts 2 and 3 of the worksheet.
- 5** Walk students through the *Investigation* instructions, reminding them of the similarities to the problem you modelled.
- 6** Students complete the investigation. Students may benefit from working individually and/or in small discussion groups.
- 7** As a class, discuss students' findings.

