Credit Card Repayments

Name_____

1) Jimmy's credit card charges 32.99% interest, compounded daily, on late payments. He spends $1230 on his credit card. He pays off the debt 14 days after the due date.

   a. How much does he pay in total?

   b. How much interest does he pay?

2) Jimmy's credit card charges 31.89% interest, compounded daily, on late payments. His minimum payment is 5% of his outstanding balance. He spends $2200 on his credit card. He pays off his entire debt before the due date.

   How much interest does he have to pay?

3) Jimmy's credit card charges 34.79% interest, compounded daily, on late payments. His minimum payment is 10% of his outstanding balance. He spends $1500 on his credit card. He makes the minimum payment before the due date.

   a. How much is the minimum payment?

   b. How much does he owe 14 days after the due date?

   c. How much interest is he charged?

4) Jimmy's credit card charges 28.29% interest, compounded daily, on late payments. His minimum payment is 2% of his outstanding balance. He spends $8760 on his credit card. He makes the minimum payment before the due date.

   a. How much is the minimum payment?

   b. How much does he owe 20 days after the due date?

   c. How much interest is he charged?

5) Jimmy's credit card charges interest, compounded daily, on late payments. His minimum payment is 10% of his outstanding balance. He spends $3000 on his credit card. He makes the minimum payment before the due date.

a. How much is the minimum payment?

b. 12 days after the due date he owes $2725.59. Determine his interest rate.

c. How much interest is he charged?

6) Jimmy's credit card charges 27.25% interest, compounded daily, on late payments. He spends $1387.24 on his credit card. He also has a line of credit that charges 6.74% interest, compounded daily. He knows that he will not be able to pay back the money for 42 days after the credit card's due date. How much would he save by using his line of credit to pay off the credit card on the due date?

7) Jimmy's credit card charges 21.68% interest, compounded daily, on late payments. 17 days after his due date, he owes $2171.81. How much did he spend on his credit card?

Answers to Credit Card Repayments

1) a. $1245.66   2) $0   3) a. $150 b. $1368.13 c. $18.13
   b. $15.66
4) a. $175.20 b. $8718.86 c. $134.06   5) a. $300 b. $28.7% c. $25.59
6) c.c=$1431.41   l.o.c=$1398.04 save $33.37   7) $2150