

Simple Interest Calculations

Name: _____

Date: _____

Remember the Simple Interest Formula:

$$\text{Interest} = \text{Principal} \times \text{Rate} \times \text{Time}$$

$$(I = P \times R \times T)$$

1. Sarah deposits \$500 into a savings account that earns 4% simple interest per year. How much interest will she earn after 2 years?

Principal = \$ _____

Rate = _____ %

Time = _____ years

Interest = _____

Interest earned = \$ _____

2. Tom invests \$1,200 at a simple interest rate of 5% per year. Calculate the interest earned after 3 years.

Principal = \$ _____

Rate = _____ %

Time = _____ years

Interest = _____

Interest earned = \$ _____

3. Maya puts \$800 into a savings account with a 3% simple interest rate for 4 years. How much interest will she receive?

Principal = \$ _____

Rate = _____ %

Time = _____ years

Interest = _____

Interest earned = \$ _____

4. Jack deposits \$2,000 into an account earning 6% simple interest per year for 1 year. Calculate the interest and the total amount in his account after 1 year.

Interest earned = \$ _____

Total amount (Principal + Interest) = \$ _____

5. Anika invests \$1,500 at 4.5% simple interest for 5 years. How much interest will she earn?

Interest earned = \$_____

6. Challenge: Ben wants to earn \$150 in interest over 3 years at a rate of 5% per year. How much money does he need to deposit?

Principal needed = \$_____