

Money and Percentage Copymaster 3: Some Terms Defined

PAYE	<p>Pay As You Earn = TAX</p> <p>This is the amount automatically deducted from your earning before you receive your pay. In NZ it is 19.5% on annual income up to \$38000 and 33% on the portion of annual income above this amount.</p>
Gross pay	Pay without tax taken out.
Net pay	Pay with tax deducted.
GST	<p>Goods and Services Tax</p> <p>This is the tax we pay on goods we buy. It is 12.5% of the GST exclusive value.</p> <p>For GST, "goods" has a broad meaning. It includes all types of personal and real property, except money.</p>
GST exclusive	This refers to goods which do not have GST added to their value.
GST inclusive	This refers to goods which do have GST added to their value
Discount	Amount deducted from the selling price of an article, usually expressed as a percentage.
Commission	This is a percentage paid to an agent or an employee on the business which he/she transacts. (This may be something like 4% of what a real estate agent sells a house for. Generally commission is as well as a minimal salary.)
Selling Price	This is the retail price; what the shop keeper charges the customer
Cost Price	This is the wholesale price; what the shopkeeper pays the wholesaler for the goods he intends to sell.
Salary	An agreed annual amount paid fortnightly or monthly.
Wage	Usually depends on time worked and hourly rates and conditions are covered by a series of industrial awards.
Contract	An agreed amount for a job to be done, for example a painter gives a quote in writing and the employee accepts this before the work is begun.