

Credit Card Interest Calculation

After comparing the three credit card offers, an author has decided to sign up for the Platinum Visa credit card described in the table. The account is activated on May 10 and the author makes purchases. Their total bill is \$473.82.

1. Calculate the interest charged, at 19.99% simple interest, on the payment date of June 20th, if the credit card bill is not paid off entirely. Be sure to calculate the duration of time between May 10 and June 20.

2. Calculate the additional interest and total interest due on the payment of July 20th if the author has yet to pay off their bill. *Note, you will need to use the compound interest formula to calculate this total interest.

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3. How much will the author have paid including both interest and annual fees?