

Add and Subtract Money

A **balance** is the amount of money in a bank account. When you add money to a bank account, you make a **deposit**. When you take money out of a bank account, you make a **withdrawal**.

Gil had \$433.82 in his bank account. He made a deposit of \$50.20. What was the balance of his bank account after the deposit?

To find the new balance, add the amount of the deposit to the starting balance.

Step 1 Line up the decimal points. Add the hundredths and tenths. Regroup as needed.

$$\begin{array}{r} ^1 \\ \$433.82 \\ +\$ 50.20 \\ \hline 02 \end{array}$$

Step 2 Add the ones, tens, and hundreds. Place the decimal point in the sum.

$$\begin{array}{r} ^1 \\ \$433.82 \text{ starting balance} \\ +\$ 50.20 \text{ deposit} \\ \hline \$484.02 \text{ new balance} \end{array}$$

So, the balance of Gil's bank account after the deposit was \$484.02.

Lisa has \$829.30 in a bank account. She makes a withdrawal of \$110.26. What is the new balance of her bank account after the withdrawal?

To find the new balance, subtract the amount of the withdrawal from the starting balance.

Step 1 Line up the decimal points. Subtract the hundredths and tenths. Regroup as needed.

$$\begin{array}{r} ^{210} \\ \$829.30 \\ -\$110.26 \\ \hline 04 \end{array}$$

Step 2 Subtract the ones, tens, and hundreds. Place the decimal point in the difference.

$$\begin{array}{r} ^{210} \\ \$829.30 \text{ starting balance} \\ -\$110.26 \text{ withdrawal} \\ \hline \$719.04 \text{ new balance} \end{array}$$

So, the balance of Lisa's bank account after the withdrawal is \$719.04.

- 1** Abdul had \$550.90 in his bank account. He earned \$168.20 from a part-time job and deposited it into his account. What was the new balance after the deposit?

- 2** A bank account has a starting balance of \$720.88. After a deposit of \$100.25 and a withdrawal of \$32.10, what is the final balance?