

The Gifting Sense Glossary

Price

The amount of money a store charges for something it sells.

Sales Tax

An amount of money, in addition to the price, that is added to an item's total cost. Sales tax is charged by the government but collected by stores. The government uses collected sales tax to pay for things like roads, schools, and hospitals. Sales tax rates vary by province or state.

Shipping

The amount of money, in addition to the price, that a store (online or bricks and mortar) charges for boxing up and mailing or sending what you have bought to your home by delivery service such as UPS, FedEx, or DHL. Shipping rates are often a function of how big the item being shipped is and how quickly you want it delivered.

Duty

An amount of money, in addition to the price, that may also be added to an item's total cost. Duty is collected by the government. It is added to the price of items crossing an international border, e.g., between Canada and the United States. A duty is designed, among other things, to encourage shoppers to purchase locally made goods versus imported items made far away. Rates vary by the type of good, e.g., clothing versus sports equipment.

Cost-Per-Use of an Item

The total cost of an item, including sales tax, shipping, and duty if applicable, divided by the number of times you anticipate using that item. If the total cost of a new jacket is \$50 and you think you will wear it 50 times, the cost-per-use is \$1.00. The lower the cost-per-use, the better, as this means you are really using what you have bought or asked someone else to buy for you. The DIMS SCORE® Calculator helps you calculate the cost-per-use of an item.

Total Cost of an Experience

The total cost of an experience includes all the money that is usually spent to enjoy an outing, concert, or sporting event. This consists of the safe transportation, snacks, and souvenir costs, for example, of attending a pro sports event, in addition to the price of a ticket to the game. The DIMS SCORE® Calculator helps you understand the total cost of an experience.

Return Policy

What are a store's rules for replacing an item or getting your money back? Can you get your money (versus a gift card?) back if you change your mind or are disappointed with something? Does it still have to be tagged and unworn? You always want to know a store's return policy before you make a purchase.

Warranty

What are a manufacturer's rules for replacing an item or getting your money back? What will the company that makes what you bought do if your purchase doesn't work the way it is supposed to or stops working altogether in a short period of time? Will they replace leaky rainboots? Will they fix an oven that doesn't bake? You especially want to understand a manufacturer's warranty for larger purchases that will be expensive to replace or repair.

DIMS – DOES IT MAKE SENSE?® SCORE

A score between 1 and 10, that young people can calculate (by answering simple questions about typical purchases), to help them understand if a possible purchase makes sense for them and their family, before, anyone spends a dime.

Think Before You Buy

Four words that encourage young people to develop strong "financial defense." Financial offense is earning money. Financial defense is spending the money you earn with a plan. Discover why spending with a plan is fun and worth it at <https://giftingsense.org>