

Teen Car Insurance Premiums



For each of you, the privilege of getting a driver’s license was (or will be) one of the best presents on your 16th birthday. But along with the privilege of driving comes both responsibility and expenses that could include a car payment, gasoline, maintenance costs and insurance. Insurance is particularly expensive for teens because teens account for the largest number of accidents and accident related expenses of any age group. Teens are simply the highest risk drivers.

The chart below lists examples of the 6-month, insurance premiums for a full-time teen driver in two types of vehicles with various driving violations. This is a real example of the effect of driving violations on insurance premiums, but each individual’s premium will vary based on a number of factors.

1. Compute the increase in the 6-month car insurance premium based on each type of violation.

	Percentage Increase	Standard 2-4 Door Sedan	Percentage Increase	Sports Car
Base Premium		\$ 644.00*		\$869.00
1 Ticket	166% =1.66	\$1,069.04	169%	_____
2 Tickets	195%	_____	200%	_____
1 Accident	174%	_____	178%	_____
2 Accidents	258%	_____	265%	_____
DUI / DWI	197%	_____	202%	_____
DUI with Accident	294%	_____	301%	_____

\*  $644 \times 1.66 = 1,069.04$

Name:

Period: