Unit 6- Taxes

_____ – A sum of money demanded by a government to support the government itself as well as specific facilities or services.

Taxpayers - A person who pays a tax to _____, _____, county or municipal (city/town) governments

Community – a group of people with _____ and concern for the common good

4 Examples of Community

1. _____
2. _____
3. _____
4. _____

Benefits of being in a community

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

- You are better off being in a community than _____
- As a community member you receive _____ benefits you could not pay for individually
- _____ are a way members of a community _____ for one another

5 Types of Taxes

1. _____
2. _____
3. _____
4. _____
5. _____

_____ - tax on earned and unearned income

Earned income -money earned from_____ for pay.

Example: _____ earned from employment

Unearned income - income_____ other than employment.

Example: Interest earned from a _____

Components of income tax = _____ Income tax + _____ Income Tax

LIVEWORKSHEETS

Federal Income Tax

Tax is determined by?	Paid by?	Helps fund?
• _____ and unearned income • Higher income = _____ tax paid	• Majority of people _____	• _____ of federal government • _____ programs • _____ • defense of the _____ • disaster relief

State Income Tax

Tax is determined by?	Paid by?	Helps fund?
• Earned and _____ income • _____ income = More tax paid	• Those_____ in states with a state income tax ○ _____ states have a state income tax	• Varies by state • Examples: ○ State _____ ○ Operations of state _____

Payroll tax

A tax on earned income that supports the _____ programs (also known as FICA)

Tax is determined by?	Paid by?	Helps fund?
• A _____ of earned income • Deducted out of _____ (except for self-employed)	• Individuals who earn income from working _____ • _____	• _____ program • Medicare _____

LIVEWORKSHEETS

What is Social Security?

Purpose	Tax charged
Income for: • _____ • People with profound _____ • _____ who have lost a parent • A person with children who has experienced the _____	• _____of earned income • Up to an annual _____

What is Medicare?

Purpose	Tax charged
• Helps pay for health care for senior citizens	• _____% of earned income • _____

What is the difference between income tax and payroll tax?

Income Tax	Payroll Tax
• Paid on both earned and unearned _____ • Amount paid depends on _____ factors but increases as income _____ • Funds many different operations and programs of the _____	• Paid on only _____ income • A set _____ of earned income is paid • Funds the Social Security and _____ programs

<u>Property tax</u>

a tax on property, such as_____ (including homes), and motor vehicles

Tax is determined by?	Paid by?	Helps fund?
• _____ of property value • Amount paid _____ depending upon where you live	• _____ ○ Fee to license car is a property tax	• _____ • _____ of state and local governments

LIVEWORKSHEETS

Sales tax

tax on purchased _____

Tax is determined by?	Paid by?	Helps fund?
• A percentage added to the _____ of an item ○ $1.00 item charged 6% sales tax = $1.06	• Anyone who purchases an item _____ sales tax • Some states _____ sales tax	• Expenses of _____ governments

Excise taxes

taxes collected from the_____ and as such often remain hidden in the price of a product or service

Tax is determined by?	Paid by?	Helps fund?
Purchase of certain items: • _____ • Hotel rooms • _____ • Cigarettes • _____ • Often included within the price of these items	• Anyone who purchases certain items • _____	• Expenses of state and local _____

HOW ARE TAX RATES DETERMINED??
Determined by _____ representatives (city councils, county commissions, state legislatures,_____
_____ by _____
_____ = voters
Work as a _____ group to elect representatives who will represent the _____

TAXES & MONEY MANAGEMENT:

Taxes _____ in both _____ and _____.

One of the largest _____ for many people.

LIVEWORKSHEETS

Summary

Without _____it would be hard to pay for many of the _____ of being a member of a _____	Taxes are _____ in many different _____
The _____ of taxes you pay and what you pay those taxes on _____ depending upon where you live and _____	_____ is an important part of _____

LIVEWORKSHEETS