

1. _____ Which of the following is an example of a tax you must pay?
A. Bounced check B. Late fee C. Rental payment D. Social security
2. _____ Which of the following is an example of a tax?
A. Line of credit B. Medicare C. Cash payment D. Rental payment
3. _____ What are taxes?
A. Taxes are sources of income.
B. Taxes are mandatory payments you make to state and local governments.
C. Taxes are refunds you receive for overpayment.
D. Taxes are optional payments you make to state and local governments.
4. _____ When is a budget considered to be balanced?
A. When the amount you earn is equal or less than to the amount you spend.
B. When the amount you spend is greater than the amount you earn.
C. When the amount you save is less than the amount you spend.
D. When the amount you spend is equal or less than the amount you earn.
5. _____ Which of the following is a variable expense?
A. Groceries B. Rental payments C. Health insurance D. Student loan payments
6. _____ Which of the following is a fixed expense?
A. Clothing purchases B. Groceries C. Movie tickets D. Car payments
7. _____ What is income?
A. Income is money you earn, usually from working at a job
B. Income is money you receive after paying taxes.
C. Income is payments you make to the government to pay for roads, bridges, and schools.
D. Income is payments you make to the federal government.
8. _____ Typically, how do people earn income?
A. Most people earn income by paying taxes.
B. Most people earn income by working at a job.
C. Most people earn income by saving a portion of their paycheck each month.
D. Most people earn income by spending more than they earn each month.
9. _____ Which of the following would be an example of a NEED?
A. A new pair of headphones B. warm winter coat C. Your favorite candy D. New headphones
10. _____ In a balanced budget, the amount you _____ is _____ the amount you earn.
A. save; less than B. spend; greater than C. save; greater than D. spend; equal to