



STUDENT'S NAME: \_\_\_\_\_

LEVEL: \_\_\_\_\_

DATE: \_\_\_\_\_

### WORKSHEET 3

#### Types of Taxes

Taxes are mandatory financial contributions imposed by governments to [fund](#) public services and infrastructure. There are various types of taxes, each [targeting](#) different areas of economic activity. One of the most common is the [Income Tax](#), which is [levied](#) on the [earnings](#) of individuals and [businesses](#). This tax usually varies based on the taxpayer's [income level](#). [Sales Tax](#), on the other hand, is [applied](#) to the [sale](#) of [goods](#) and services, typically as a percentage of the [purchase](#) price, making it visible on most consumer [receipts](#).

Another important type is the [Property Tax](#), which is based on the value of [owned real estate](#), such as homes and [land](#). This tax is used primarily by local governments to finance community services like schools and police departments. [Corporate Tax](#) targets the [profits](#) made by companies and is a significant [source of revenue](#) for governments, influencing business strategies and [investments](#).

[Capital Gains Tax](#) is imposed on the [profit](#) from selling [assets](#) like [stocks](#) or property, while [Estate Tax](#) is [levied](#) on the value of a [deceased](#) person's [estate](#) before it is transferred to [heirs](#). [Excise Taxes](#) are applied to specific [goods](#) such as alcohol, tobacco, and [fuel](#), often to discourage consumption of these products or to cover environmental or health-related costs.

Lastly, **Payroll Taxes** are deducted directly from an **employee's salary** and are **used to** fund social programs like Social Security and Medicare. Each of these taxes serves a specific **purpose** in the economy, **supporting** public services, infrastructure, and societal needs. Understanding the various types of taxes helps individuals and businesses manage their financial responsibilities more effectively.

1. **Income Tax** - \_\_\_\_\_
  2. **Property Tax** - \_\_\_\_\_
  3. **Sales Tax** - \_\_\_\_\_
  4. **Corporate Tax** - \_\_\_\_\_
  5. **Capital Gains Tax** - \_\_\_\_\_
  6. **Excise Tax** - \_\_\_\_\_
  7. **Estate Tax** - \_\_\_\_\_
  8. **Payroll Tax** - \_\_\_\_\_
  9. **Value Added Tax (VAT)** - \_\_\_\_\_
  10. **Wealth Tax** - \_\_\_\_\_
  11. **Inheritance Tax** - \_\_\_\_\_
  12. **Gift Tax** - \_\_\_\_\_
- a) A tax on an individual's total wealth, including assets like property, cash, and investments.
  - b) A tax on goods and services purchased, typically added at the point of sale.
  - c) A tax on money or assets given by one person to another without receiving anything in return.
  - d) A tax on real estate properties, like houses or land, paid by the owner.
  - e) A tax on specific goods like alcohol, tobacco, or gasoline, often included in the product price.
  - f) A tax on the money individuals or businesses earn as income.
  - g) A tax on the money or property received from someone who has passed away.
  - h) A tax on the profit from selling assets like stocks or property.
  - i) A tax on the profits earned by businesses.
  - j) A tax on the value added at each stage of production or distribution of a product.
  - k) A tax on the value of a deceased person's estate before it is passed on to heirs.
  - l) A tax on wages paid by employers and employees, used to fund social security and Medicare.