

- **Wealth Tax:** A tax levied on the total value of an individual's assets, including property, investments, and other holdings. It's usually assessed annually.
- **Property Tax:** A tax imposed on real estate or personal property, such as land or buildings. This is typically paid to local governments and is based on the value of the property.
- **Capital Gains Tax:** A tax on the profit from the sale of assets such as stocks, bonds, or real estate. The tax rate depends on how long the asset was held—short-term (less than a year) or long-term (more than a year).
- **Inheritance Tax:** A tax on the assets inherited by an individual from a deceased person's estate. The rate may vary based on the value of the inheritance and the relationship between the deceased and the heir.
- **Estate Tax:** A tax on the total value of a deceased person's estate before it is distributed to heirs. It's typically levied on estates that exceed a certain value threshold.
- **Gift Tax:** A tax on transfers of money or property from one individual to another without receiving something of equal value in return. It typically applies when the value of the gift exceeds certain limits.
- **Income Tax:** A tax imposed on an individual or entity's earnings, including wages, interest, dividends, and other sources of income. The rate is typically progressive, meaning higher incomes are taxed at higher rates.
- **Gross Income:** The total income earned by an individual or business before any deductions or taxes are applied. It includes wages, interest, dividends, and other sources of income.
- **Net Income:** The income remaining after all deductions, taxes, and other expenses have been subtracted from gross income. This is often referred to as "take-home pay" for individuals.
- **Passive Income:** Income earned from investments or business activities in which the individual is not actively involved. Examples include rental income, dividends, and royalties.
- **Refund:** The return of excess taxes paid by an individual to the government, typically after filing a tax return and determining that more taxes were paid than owed.
- **Consumption Tax:** A tax on goods and services purchased by consumers, typically as a sales tax or value-added tax (VAT). The tax is usually included in the price of the product or service.
- **Excise Tax:** A tax on specific goods, such as gasoline, alcohol, or tobacco, often included in the price of the product. These taxes are usually imposed to discourage consumption or to raise revenue for specific purposes.
- **Finance:** The management of money, investments, and other financial instruments, typically involving budgeting, investing, saving, and planning.
- **Budget:** A financial plan that outlines expected income and expenses over a specific period, typically a year. It helps individuals, businesses, and governments manage their finances.
- **Expense:** The costs incurred in the process of earning income or carrying out business activities. Expenses can be both fixed (e.g., rent) and variable (e.g., raw materials).

- **Head of Household:** A tax filing status for unmarried individuals who provide a home for a qualifying person, such as a child or dependent relative. It allows for a larger standard deduction and more favorable tax rates.
- **Pension:** A retirement plan that provides regular payments to employees after they retire, often based on their salary and years of service. Employers typically fund pensions.
- **FICA:** The Federal Insurance Contributions Act, which requires workers and employers to contribute to Social Security and Medicare programs through payroll taxes.
- **Joint Return:** A tax filing status for married couples who file their tax returns together, combining their income and deductions. It typically results in lower taxes than filing separately.
- **Capital Gain:** The profit made from selling an asset (e.g., real estate, stocks) for more than its purchase price. It may be taxed at different rates depending on whether the gain is short-term or long-term.
- **Asset:** Any property or resource with value, including cash, real estate, stocks, bonds, and personal property, that can be used to generate income or wealth.
- **Active Income:** Income earned from work, such as wages, salaries, or business profits, where the individual is actively involved in earning the income.
- **Tax Credit:** An amount that reduces the total tax liability, either directly reducing the amount owed or providing a refund. It is different from a tax deduction, which reduces taxable income.
- **IRA (Individual Retirement Account):** A tax-advantaged savings account designed to help individuals save for retirement. Contributions to traditional IRAs may be tax-deductible, and the growth is tax-deferred until withdrawal.
- **Dividend:** A payment made by a corporation to its shareholders from profits. Dividends are typically paid quarterly and may be taxed at different rates depending on whether they are qualified or non-qualified.
- **Itemized Deduction:** Specific expenses that taxpayers can deduct from their taxable income to reduce the amount of tax they owe. Examples include mortgage interest, medical expenses, and charitable contributions.
- **Standard Deduction:** A fixed dollar amount that reduces a taxpayer's taxable income. It is available to most taxpayers and varies based on filing status (e.g., single, married, head of household).
- **Taxable Income:** The portion of an individual's or business's income that is subject to tax after all allowable deductions, exemptions, and other adjustments.
- **W-2:** A form used by employers to report an employee's annual wages and the amount of taxes withheld from their paycheck. It is used to file income taxes.