

Student Name

Teacher Name

Economics

Period 1

Assignment week #1

Questions Econ Topic 8

Answer in Complete sentences. Use the Textbook and Power Points.

Section 1

1. **Summarize** What does the United States Constitution say about governments power to tax.
2. **Draw conclusions** Suppose Michelle earns 40,000 per year and Rosa earns 100,000 per year, under a proportional tax, who would pay a greater percentage of her income in taxes?
3. **Cite Evidence** Cite evidence from your reading that illustrates the economic importance of national taxes in the United States
4. **Contrast** How do progressive taxes differ from regressive taxes?

Section 2

1. **Compare and Contrast** How would a single person with a taxable income of 15,000 per year and a single person with taxable income of 300,000 per year be treated differently-and similarly-in terms of national taxes?
2. **Express Ideas Clearly** Why do people in the United States pay unemployment taxes?
3. **Draw Conclusions** What is the purpose of tax incentives?
4. **Identify** What are the main sources of federal government receipts?

Section 3

1. **List** Name at least three examples of federal discretionary spending
2. **Describe** How are Social Security benefits of today's retirees funded?
3. **Contrast** How are mandatory funding and discretionary funding different
4. **Identify Supporting Details** What are at least three programs in which state governments and the federal government share funding?

Section 4

1. **Make Predictions** Which budget- capitol or operating- do you think a state would draw from the fund the clean up after a natural disaster? Why?
2. **Evaluate Arguments** Is it fair that nonprofit organizations are exempt from taxes? Why or Why not?
3. **Make Generalizations** Do states generally help local governments carry out their responsibilities?
4. **Generate Explanations** Why might local governments design taxes to raise revenue from non-residence.

