



## Economics

### Unit 7: Taxes and Government Spending

#### Essential Questions:

1. What are taxes and how do they affect standard of living?
2. What are the characteristics of a good tax?
3. Who bears the burden of taxes?

#### Learning Objectives:

1. Compare and contrast proportional tax, progressive tax, and regressive tax.
2. Define the characteristics of a good tax.
3. Analyze who bears the burden of a given tax.
4. Illustrate graphically and calculate tax incidence.
5. Distinguish effective tax rate from tax bracket.
6. Explain the purpose of Social Security and Medicare and how each is funded.
7. Define sales tax, property tax, income tax, estate tax, gift tax, and excise tax and for each determine whether it's proportional, regressive, or progressive.
8. Identify the main sources of revenue for the US federal government.
9. Distinguish discretionary spending from mandatory spending.
10. Identify the largest three expenditures of the US federal government.
11. Analyze the impact of Social Security and Medicare on the US federal budget.
12. Explain the budget—including key sources of revenue and main expenditures—of a nation other than the US.
13. Evaluate secondary reports on fiscal policy.



#### Key Terms:

1. Capital budget	11. Inheritance tax	21. Revenue
2. Corporate income tax	12. Mandatory spending	22. Sales tax
3. Deduction	13. Medicare	23. Social Security
4. Discretionary spending	14. Operating budget	24. Tariff
5. Entitlements	15. Personal property	25. Tax assessor
6. Estate tax	16. Progressive tax	26. Tax base
7. Excise tax	17. Property tax	27. Tax incentive
8. FICA	18. Proportional tax	28. Tax incidence
9. Gift tax	19. Real property	29. Tax rate
10. Individual income tax	20. Regressive tax	30. Taxable income



## Economics

### Unit 7: Taxes and Government Spending

#### Calendar

DAY		TOPIC	HW DUE /SCHEDULED TEST
27-Feb	Friday	Unit Introduction and Overview	NONE
2-Mar	Monday	Taxes	Read Chapter 14 Section 1 and answer Q's 1-6 on p. 363.
3-Mar	Tuesday	US Federal Taxes	Read Chapter 14 Section 2 and answer Q's 1-6 on p. 369.
4-Mar	Wednesday	US Federal Spending	Read Chapter 14 Section 3 and answer Q's 1-4 on p. 374.
5-Mar	Thursday	US State and Local Taxes	Read Chapter 14 Section 4 and answer Q's 1-5 on p. 380.
6-Mar	Friday	Tax Incidence	Read Mankiw Taxes Packet and answer Q's 5-7 on p. 132.
9-Mar	Monday	Social Security and Medicare	<ul style="list-style-type: none"> <li>• Read p. 364 and complete tasks 1-3.</li> <li>• Read p. 370 and answer Q's 1-2.</li> </ul>
10-Mar	Tuesday	Social Security and Medicare	Summary of how Social Security and Medicare affect the US federal budget.
11-Mar	Wednesday	<b>UNIT 7 TEST</b>	<b>Prepare for UNIT 7 TEST</b>
12-Mar	Thursday	Social Security and Medicare	Group Entitlements Proposal
13-Mar	Friday	PPT preparation	Bring Materials needed to prepare for Nation Reports
16-Mar	Monday	<b>PPT Presentations</b>	<b>Nation Report PPT</b>