

The Government and Taxes



I. Three Essential Questions About Taxes:

- a.
- b.
- c.

II. What Does Every Tax Have?

1. _____: What is being taxed?
 - a.
 - b.
 - c.

2. _____: How is the amount determined?
 - a.
 - b.

*** Place the following information on the chart on the back of the page.**

VI. Criteria for Evaluating Taxes:

- 1.

2. A tax should have vertical and horizontal equity.
 - a. Vertical -

 - b. Horizontal -

- 3.

4. The tax should not _____; nor should it discourage people from _____.

5. The tax should be _____. The rationale for the tax should generally be _____. _____ should be minimized.

* What is a loophole?

	Proportional Taxes	Regressive Taxes	Progressive Taxes
Description			
Example			
Impact			