

Personal Finance Education Standards - Taxes

Jumpstart - National Standards

Spending and Saving

Standards met by 4th Grade

- Calculate the sales tax for a given purchase.
- Give an example of how governments use tax revenue.

Standards met by 8th Grade

- Taxes affect disposable income and the total cost of many purchases.

Employment and Income

Standards met by 8th Grade

- People pay taxes on many types of income.
- Differentiate between a progressive tax and a regressive tax.
- Illustrate the relationship between income level and income tax liability.

Council for Economic Education – National Standards

Standards met by 4th Grade

- Income earned from working and most other sources of income are taxed. The revenue from these taxes is used to pay for government provided goods and services.
- Income is saved, spent on goods and services, or used to pay taxes.

Standards met by 8th Grade

- Social Security is a government program that taxes the income of current workers to provide retirement, disability, and survivor benefits for workers or their dependents.
- A budget includes fixed and variable expenses, as well as income, savings, and taxes.

Standards met by 12th Grade

- Taxes are paid to federal, state, and local governments to fund government goods and services and transfer payments from government to individuals. The major types of taxes are income taxes, payroll (Social Security) taxes, property taxes, and sales taxes.
- People's sources of income, amount of income, as well as the amount and type of spending affect the types and amounts of taxes paid.