

Assessment

Theme 5: Impact of Taxes
Lesson 2: The Politics of Taxation

Part 1

Match the clues to the correct terms found in the answer key. Write the letter of each term in the space provided.

Answer Key:

- A. tax deduction
- B. lobbyist
- C. horizontal equity
- D. tax credit
- E. tax exemption

- _____ “Equals should be taxed equally.”
- _____ Can be deducted directly from taxes owed
- _____ Part of income that isn’t taxed
- _____ She knows her way around an issue
- _____ Reduces income subject to tax

Part 2

Identify the speakers of the statements below as a lobbyist, a member of Congress, or the public. Write the letter of the correct response in the space provided.

- _____ 1. “The taxes on my house are so high that I can’t afford to send my kids to college.”
 - A. public
 - B. lobbyist
 - C. member of Congress
- _____ 2. “The data shows that the current local tax laws negatively impact young homeowners.”
 - A. public
 - B. lobbyist
 - C. member of Congress

- _____ 3. “We’ll adjust tax laws on homes so that all young couples can afford a new home.”
A. public
B. lobbyist
C. member of Congress
- _____ 4. “It is not fair that people who have children get more tax breaks than those of us who don’t have children.”
A. public
B. lobbyist
C. member of Congress
- _____ 5. “If renters in our city would agree to pay taxes that support the school system, would you consider changing the current tax law?”
A. public
B. lobbyist
C. member of Congress

Part 3

Indicate whether each of the following statements below is True or False. Write your answer in the space provided.

1. Tax credits, exemptions, and deductions help make taxation fairer. _____
2. Horizontal equity rarely occurs because tax laws do not permit it. _____
3. A key to being a good lobbyist is understanding the issues. _____
4. Lobbyists serve the community at large. _____
5. Members of Congress listen to lobbyists. _____