
Macroeconomics || Taxes

Goals & Objectives

- Compare the effects of the following; using income as a measure of ability to pay: a progressive tax, a regressive tax, and a proportional tax.
- Explain how a mixture of regressive and progressive taxes could combine to make our overall tax system roughly proportional.

California State Content Standards

- 12.3.3. Describe the aims of government fiscal policies (taxation, borrowing, spending) and their influence on production, employment, and price levels.

Common Core Literacy Standards

[CCSS.ELA-Literacy.RI.11-12.2](#)

Determine two or more central ideas of a text and analyze their development over the course of the text, including how they interact and build on one another to provide a complex analysis; provide an objective summary of the text.

[CCSS.ELA-Literacy.SL.11-12.1.b](#)

Work with peers to promote civil, democratic discussions and decision-making, set clear goals and deadlines, and establish individual roles as needed.

[CCSS.ELA-Literacy.SL.11-12.1.c](#)

Propel conversations by posing and responding to questions that probe reasoning and evidence; ensure a hearing for a full range of positions on a topic or issue; clarify, verify, or challenge ideas and conclusions; and promote divergent and creative perspectives.

Driving Historical Question

How does the American tax structure affect citizens and their ability to contribute to federal spending?

Lesson Introduction (Anticipatory Set) ||

After the bell rings the teacher will discuss the daily goals, objectives and vocabulary. Students will write each in their notebooks. Once all questions are answered, the teacher and students will engage in a discussion about their jobs and if they pay taxes. (Some will not because they have jobs that pay “under the table” [Ex. babysitting]). Those who indicate they have jobs will be asked where they think their taxes go. This will get students think about how and why they pay taxes.

Vocabulary (Content Language Development) ||

Students will be introduced to vocabulary prior to actual content delivery. The teacher will define a second time prior to the reading. S/he will also define as the read is in progress. Students will be required to academically use these terms as they both read and write.

- Ability to Pay Theory
- Benefits Received Theory
- Progressive Tax
- Regressive Tax
- Proportional Tax
- Exemptions
- Deductions
- Tax Evasion
- Tax Avoidance
- Sin Tax

Content Delivery (Method of Instruction) ||

Once the anticipatory activity is complete, students will focus their attention on a PowerPoint and get ready to take notes on a shell. The first few slides will not require note taking; rather, students will hear a brief background of taxes throughout the centuries. Students will be able to see the connection to Ancient Rome and the origins of a democratic-republic.

The first portion of content delivery will discuss the three types of tax structure. Before discovering which the United States uses, they will be asked which structure they believe is best. This will be done using volunteers as this is opinion, not content based. After the conversation, students will get to see how America has structured taxes. Students will conduct a Quick Write that asks them to write which tax structure they think is best.

Next, the teacher will complete the PowerPoint and show students how to calculate taxes. Students will calculate taxes on a different worksheet. This prefaces an activity that simulates taxation. In this activity, students will form groups of four and will create a tax structure for a fictitious country. Students are required to complete certain objectives and must agree upon their tax structure.

After creating a tax structure, students will choose categories to spend the tax dollars. Once again students must agree with all decisions. Students will then answer questions and then create a poster that has a proposed tax plan. Students will present their tax structures to the class and the class will vote on which is the best structure. This activity will prepare students for the following lesson on federal spending.

Student Engagement (Critical Thinking & Student Activities) ||

Students will participate in the anticipatory discussion before listening to the content portion of the lesson. During the content portion of the lesson, students will connect past taxes with current ones. They will also be able to analyze different tax structure and decide which they personally think is best showing content understanding in the form of a Quick Write. Once the Quick Write is complete, students will share their opinions if they are comfortable doing so.

Students will then listen to the rest of the PowerPoint before engaging in an activity that requires them to calculate taxes. In this exercise, the students will watch as the teacher demonstrates how to calculate taxes before student complete a worksheet.

Calculating taxes will be followed by a group activity. In this activity, students will form groups of 4 and create their own tax structures. Students must follow the guidelines and also agree upon their tax structure. After collecting taxes, students will decide as to where to spend the money. Additionally, they will answer questions pertaining to the activity. Once complete, students will create a poster outlining their tax structure, select a representative and share their proposed tax structure. Students will share their type of structure, the percentage of taxation per income group, and discuss where they prefer the money to be spent. The class will have the opportunity to vote on the most attractive plan. This will be followed by the lesson closure.

Lesson Closure ||

The closing activity is after students vote on the best tax structure. As a class, we will review the day's content before analyzing the proposed tax structures. Students will find similarities and differences in each. They will be asked to identify the most prevalent tax structure as well as the most common areas of government spending. Students will speculate class trends and discuss whether their socioeconomic status has any bearing on their decisions. Academic debate will be encouraged.

Assessments (Formative & Summative)

Students are assessed throughout the lesson. During the anticipatory activity, the teacher assesses their prior understanding by discussing taxation basics. This helps to guide the teacher through the next portion of the lesson, the content presentation. If students have a clear understanding, the teacher can forgo inappropriate material.

The next assessment is preformed on the worksheet. As students complete their worksheet individually, the teacher can review work, answer questions, and challenge student who are excelling. The teacher can do the same while visiting pairs during the pair share portion of the activity. For those the teacher did not have the opportunity to visit, s/he can ask them to share during the class discussion. This will be conducted while the students are calculating taxes as well.

Students are also assessed when they work in their groups. The teacher will have the opportunity to visit each group, and ask or answer questions. Since the students are working together, the teacher can determine who is contributing, and who is quieter. S/he can approach the more quiet individuals and ask them questions to ensure those students understand the material.

Finally, this lesson gives the teacher an opportunity to formally assess. This assessment is conducted in a short answer format and can be collected as an exit slip. This is suggested when the teacher feels as though many students are struggling with the material.

Accommodations for English Learners, Striving Readers and Students with Special Needs

Through use of differentiated teaching, students have an opportunity to interact with the material in various ways. Such ways include, aural presentation paired with a shell and a visually rich PowerPoint, the use of paired work, and the use of group work. For those who struggle linguistically (English learners or striving readers), they have the opportunity to “see” and pair the material with images. They also have the ability to work with several individuals who may be able to explain the material in comprehensible ways. This lesson also utilizes graphs and charts. Some students (including those with special needs) find visual/mathematical presentation of the material more palatable and will have a different means of accessing the information. As always, the teacher is a great vehicle for facilitating learning to other needs students. By adapting the material as s/he goes, all students can be given the opportunity to meaningfully interact with the material.

Resources (Books, Websites, Handouts, Materials)

- PowerPoint: “Taxes”
- Shell: “Taxes”
- Worksheet: “Calculating Taxes”
- Financial Information Slips
- Envelope
- Directions: “Yessel”
- Group Worksheet: “Yessel”
- Poster Board
- Coloring Utensils
- Pen/Pencil