

Name: _____

Date: _____

1. The main purpose of taxes is to _____ **RAISE REVENUE** _____.
 2. **TRUE** | FALSE: Taxes have been a staple of civilization for over 5,000 years.
 3. The three basic tax types are on what you _____ **EARN** _____, _____ **BUY** _____, and _____ **OWN** _____.
 4. As a tax base broadens, rates (INCREASE | **DECREASE**).
 5. **TRUE** | FALSE: Most Americans pay more in payroll taxes than in income taxes.
 6. The federal individual income tax is (**PROGRESSIVE** | REGRESSIVE).
 7. The _____ **INTERNAL REVENUE SERVICE (IRS)** _____ is responsible for enforcing and administering federal tax laws, processing tax returns, performing audits, and offering assistance for American taxpayers.
 8. _____ **BUSINESSES** _____ are the main collector of taxes for the government.
 9. _____ **PROPERTY TAXES** _____ are the primary source of local, state, and federal tax revenue in the U.S.
 10. The tax _____ **BASE** _____ is the total amount of income, property, assets, consumption, transactions, or other economic activity subject to taxation by a tax authority.
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