

Tax Scenario: A

A city increases the property tax rate from **1.2% to 1.5%** of the home's assessed value. A homeowner owns a house assessed at **\$250,000**.

Tasks:

1. Calculate the previous annual property tax.
2. Calculate the new annual property tax.
3. Find the **difference** in tax paid before and after the increase.

If the homeowner is paid monthly, how much **more per month** will they now owe?

Tax Scenario: B

Your state adds a **3% fast food tax** on top of the standard **6% sales tax**. You bought a meal that cost **\$12.50**.

Tasks:

1. Calculate the **total sales tax** (combined 6% + 3%) on the meal.
2. Find the **final cost** of the meal with tax included.

If you eat fast food 2 times a week for a year, how much **extra** will you pay annually because of the new 3% tax?



Tax Scenario: C

Jamie earns **\$38,000** per year and pays **12% federal income tax**. She had **\$5,500** withheld in taxes from her paycheck.

Tasks:

1. Calculate how much tax Jamie **owes** based on 12% of her income.
2. Compare this to the **amount withheld** to determine if she gets a refund or owes more.

If Jamie receives a refund, how much will it be?

Tax Scenario: D

A state raises its gasoline tax by **\$0.10 per gallon**.

You drive **15,000 miles per year**, and your car gets **25 miles per gallon**.

Tasks:

1. Calculate how many gallons of gas you use in a year.
2. Determine how much **extra** you'll pay annually due to the tax increase.

If the funds are used to build new roads costing \$2 million, how many drivers (with your same usage) would it take to cover the cost?



Tax Scenario: E

A small business earned **\$120,000** in profit last year.
Previously taxed at **8%**, the local tax rate has increased to **10.5%**.

Tasks:

1. Calculate the old tax bill at 8%.
2. Calculate the new tax bill at 10.5%.
3. Find the **difference** in taxes owed.
4. If the business wants to maintain the same profit margin, how much more would it need to **raise prices across 6,000 annual transactions**?

Tax Scenario: F

Situation: Two tax models are being debated:

- **Flat Tax:** 15% on all income.
- **Progressive Tax:**
 - 10% on first \$20,000
 - 15% on \$20,001–\$60,000
 - 20% on income over \$60,000

Income Profiles:

- Alex: \$25,000
- Jordan: \$60,000
- Casey: \$95,000

Tasks:

1. Calculate how much each person pays under **both systems**.
2. Compare the differences.
3. Who benefits more from the flat system? Who pays more under the progressive system?

