

TAXES

NAME	LEVEL OF GOV'T	DEFINITION	INTERESTING FACT
Income tax	<i>Federal</i> & State	Payroll tax, money deducted from salary/wage	Largest source of revenue for the <u>FEDERAL</u> government.
Excise tax	<i>Federal</i> & State	1. Paid by manufacturers or producers 2. Tax on luxury items: alcohol, tobacco, firearms, gas	Hidden in the <u>PRICE</u> of the product. Consumer does not recognize she is paying a tax.
Sales tax	State	Tax on retail goods	Largest source of revenue for the <u>STATE</u> government.
tariffs	<i>Federal</i>	Tax on imported goods	Can't tax <u>EXPORTS</u> . Part of the U.S. Constitution.
Property tax	Local	Real estate (land, homes) Personal property (car, boat)	Largest source of revenue for <u>LOCAL</u> government.
Gift tax	Local & State	Tax on inheritance, lottery wins, "presents"	Most contested tax.
Social Security tax	Federal	Unemployment insurance, disability, welfare	Known as <u>FICA</u> .

