



Understanding Taxes | Lesson Plan

What are taxes, and how can you be a responsible taxpayer?

This lesson aims to introduce students to the concept of taxes, including their purpose, types, and how they are used to fund public projects and services. Students will gain an understanding of the different types of taxes they may encounter and their implications on personal finances and society as a whole.

Learning Objectives:

- Explain what taxes are and how they work.
- Define key terms associated with taxes, including federal income tax, payroll tax, sales tax, deductions, and credits.
- Explore different types of taxes and what they are used for.
- Describe actions to take as a responsible taxpayer.

Key Vocabulary:

- **Federal income tax:** Tax paid by employees to the government.
- **Payroll tax:** Tax paid by employees and employers to the government.
- **Sales tax:** Tax paid on most goods and services.
- **Credits:** Amount subtracted from taxes owed.
- **Deductions:** Items that reduce taxable income.

Educational Standards: CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

Academic Subject Areas: Financial Literacy, Decision Making, Personal Responsibility, Personal Finance

What You'll Need

- Video: *Ca\$h Cour\$e: Understanding Taxes* (Watch [Here](#))
- Worksheet: *Ca\$h Cour\$e: Understanding Taxes* (Click [Here](#))
- Images of public services, such as schools, parks, libraries, and police stations
- Whiteboard and dry-erase markers

Lesson Plan (45 mins.)

Warm-Up: (10 mins.)

1. Display pictures of various public services, such as schools, parks, libraries, and police stations. Then, ask students to brainstorm how these services are funded. After gathering their ideas, introduce the concept of taxes as the primary source of funding for public services.



2. Transition to discussing taxes and their role in society. Encourage students to share their knowledge about different types of taxes.
3. Let students know that they will watch a video that explains various forms of taxes that citizens pay.

Watch and Apply: (25 mins.)

1. Watch the video *Ca\$h Cour\$e: Understanding Taxes*.
2. Pause at opportune moments in the video to ask questions and check for understanding of key vocabulary words and their meaning.
3. After the video, prompt students to share what they learned and how it affects their views on being taxpayers.

Wrap-Up: (10 mins.)

1. Distribute the *Ca\$h Cour\$e: Understanding Taxes* worksheet and allow students 10 minutes to complete it on their own. This activity can serve as an assessment of their understanding and can be collected as a grade or used for class discussion prompts.
2. Review the worksheet answers as a group, discussing areas where students might need further clarification or have questions, ensuring a comprehensive understanding of the tax system.
3. Wrap up the lesson by facilitating a discussion about the importance of taxes and responsible tax planning. Encourage students to reflect on how taxes impact their daily lives and the community around them. Emphasize the importance of budgeting for taxes and fulfilling tax obligations as responsible citizens.

Don't have time for the full lesson? Quick Activity (10-15 mins.)

Distribute the worksheet and allow students to complete it while they follow along with the video. Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.