**AP Government Homework (Budget Quiz & Presentation)**

**Budget Quiz – Take Home (Answer on notebook paper.)**

1. Which amendment allows for the income tax?
2. What’s the difference between the federal budget deficit and the federal debt?
3. What agency is in charge of collecting federal income tax?
4. Today, what is the single largest source of government revenue? Be specific.
5. What’s the difference between a progressive tax and a flat tax?
6. What is a regressive tax and/or can you give an example of a regressive tax?
7. How does the federal government borrow money?
8. What are some negatives of having a large amount of federal debt or a large amount of federal borrowing? Name two.
9. What’s the difference between an expenditure and a tax expenditure?
10. Give an example of a tax expenditure.
11. How does the size (as a percentage of GDP) of the US government compare to that of other “western” nations? (US government is… larger, smaller, or comparable?)
12. How much do federal, state & local governments combined spend each year (as a percentage of GDP)?
13. How much does the federal government alone spend each year (as a percentage of GDP)?
14. What are the two conditions associated with the dramatic growth in the size of the federal government? Put another way… what are the two areas of dramatic growth.
15. What was the top federal expenditure in the 50s and 60s? (which at that time was over 50% of the federal budget)
16. What is the “biggest slice of the budget pie” today?
17. When was the Social Security Act passed and what was its general purpose?
18. What program was added to Social Security in 1965 & what is it/what does it do?
19. Explain what is meant by saying that Social Security is an intergenerational contract… and what is the looming problem with that?
20. About 2/3 of the federal government’s budget is uncontrollable. Define “uncontrollable expenditures” and explain how entitlements are related to that concept.
21. Which committee writes the tax codes/law in the US House of Representatives (where all tax bills must originate)?
22. Which committee handles tax bills in the Senate?