Fiscal Policy (Budgets, Expenditures, Taxation)

Most of these are found in the powerpoint on Fiscal Policy. Some, however, require you to use what you read to come to a conclusion on your own. Pay attention to the pictures and graphs.

1. What is discretionary spending?
2. What is the largest non-discretionary spending of the federal government?
3. What is the largest discretionary spending of the federal government?
4. What is public debt?
5. What are intergovernmental holdings?
6. What are bonds?
7. Look at the slide “Holdings of US Treasury Securities”. Which sector has shown the most growth in recent years? Who comprises about 40% of that sector?
8. What are the top 3 sources of state and local revenue (in order)?
9. What are the top 2 expenditures of state governments (in order)?
10. Excluding money from the federal government, what are the top 3 sources of revenue for NC (in order)?
11. Why is the answer for #10 different from the answer for #8?
12. Who pays state income taxes?
13. What is property tax on?
14. What does property tax pay for?
15. What are payroll taxes?
16. What is an excise tax?
17. Give an example of an excise tax.
18. What is gasoline tax used for?
19. What is a sin tax?
20. Give an example of a sin tax.
21. Why are sin taxes popular with politicians?
22. What is a user fee?
23. What are user fees used for?
24. Give an example of a user fee
25. What is a tax exemption?
26. What is a tax deduction?
27. What is a tax credit?
28. What is a progressive tax?
29. Give an example of a progressive tax
30. What is a regressive tax?
31. Give an example of a regressive tax
32. What is a proportional tax?
33. Give an example of a proportional tax