

Vocabulary

Vocabulary

Study the vocabulary words and definitions below.

excise tax a tax by the government on the manufacture, sale, or use of certain products
Examples: gasoline, luxury cars, alcohol, tobacco

government revenue tax dollars received by government

income tax a tax on earned income that is paid to a local, state, or national government

progressive tax a tax that increases as income level increases
Example: federal income tax

property tax a tax paid on the assessed value of land and buildings

proportional tax a tax that takes the same percentage in taxes from all income levels
Example: sales tax

regressive tax a tax that takes a higher percentage from lower income levels than higher incomes
Example: Social Security

sales tax taxes paid on some goods or services purchased; based on a percentage of the selling price