**U.S. Government Revenues assignment**

Resources

Refer to “*United States Federal State and Local Government Revenue”* for the current year. Keep in mind the figures are listed in “Billions”. Make sure you are looking under the Federal “Fed” column only! All questions below refer only to the Federal amounts, not State or Local.

Instructions

Create space and enter your answers in the Word document below, and then submit as an email attachment. (10 questions, 100 possible points).

1. List the 5 major sources of revenue for the U.S. Government. Just list them here.
2. Total revenue
   1. How much Total Direct Revenue will be raised (in the current year) by the U.S. Gov’t?
   2. How much money will have to be borrowed (Federal Deficit) by the U.S. Gov’t this year?
   3. How much total money will be raised by the U.S. Gov’t through Direct Revenue PLUS Borrowings? i.e. what is the total to be raised?
3. Income taxes (Individuals and Business Firms must fill out tax returns and pay these taxes each April, typically)
   1. How much revenue will be raised from Individual Income Taxes?
   2. How much revenue will be raised from Corporate Income Taxes?
   3. What percentage of the Government’s total revenue will come from Income Taxes this year?
   4. Does this seem like a high, or a low, percentage of the total? Do you think this is fair? Why or why not?
4. Social Insurance taxes (These are Payroll Taxes that are deducted from your parents’ paycheck, mainly for Social Security and Medicare, and Disability)
   1. How much revenue will be raised from Social Insurance Taxes?
   2. What percentage of the Government’s total revenue will come from Social Insurance Taxes this year?
   3. *“Old Age Survivors Insurance”* is the old name for Social Security. Write a 1-paragraph summary of how & when Social Security came about, who created it, and what it was created to do. You may include any historical facts/details you think are interesting.
5. Ad Valorem Taxes
   1. How much revenue will be raised from Ad Valorem Taxes?
   2. What percentage of the Government’s total revenue will come from Ad Valorem Taxes this year?
   3. Research and explain what is meant by an “Ad Valorem Tax”. Elaborate and give some examples.
   4. Research and explain what is meant by an “Excise Tax”. Explain, and then give at least 2 examples of Federal excise taxes.
6. Business and Other Revenue
   1. How much revenue will be raised from this category?
   2. What percentage of the Government’s total revenue will come from Business and Other Revenue this year?
7. Gov’t Borrowings (Federal Deficit)
   1. How much will the U.S. Gov’t need to borrow this year?
   2. What percentage of the total does this represent?
   3. Is borrowing lots of money each year a good way to finance the Government? Why or why not? Explain your answer.
8. Total Debt
   1. What will the U.S. Gov’t owe by the end of this year? This is called the “Gross Public Debt”. Be sure you are looking under the “Fed” column only – do not include the State and Local debt for this question. How much?
   2. If there are 125 million households in the U.S. as of 2015, how much of the Federal Debt does each household owe? Hint: it’s a pretty big number.
9. Your reaction

How do you feel about the answer in question ‘8.b.’? Is it fair that each household in the U.S. should, in effect, be saddled with that much debt from the Federal Gov’t? Take a few sentences and elaborate. First, do Internet research on the subject of “National Debt”.

1. Graphing
   1. Using a spreadsheet App (Excel or Google Sheets, etc), create a set of charts & graphs of your choosing which adequately break-down and illustrate the U.S. Federal Gov’t revenue for the current year. (Make sure you’re looking at Revenue, not Expenditures – that’s covered next class!) You may organize your charts & graphs any way you choose, as long as they adequately convey the subject matter.
   2. Imbed your charts/graphs directly in this Word document, or you may submit them separately.