

Business Tax

# CHALLENGE QUIZ BUSINESS TAX

Years 7-10

## Worksheet

### YOU WILL:

- ▶ test your new knowledge about business tax

### YOU WILL NEED:

- ▶ *Answer Sheet: Challenge quiz – Business taxes*

## CHALLENGE QUIZ: BUSINESS TAX

1. Organise yourselves into teams to play the Challenge quiz: Business tax.
2. Read the rules then do the quiz. (Or, you can use the questions to create your own review challenge activity for the Business tax module).
3. You might want to allow lesson notes to be used during the quiz or have a review session before playing the quiz.

## HOW TO PLAY THE CHALLENGE QUIZ

4. Each team chooses a topic from the *Business tax* module.
5. Each team must start by answering one 100-point question correctly before moving to the higher point questions.
6. If a team answers the question correctly, they earn the allocated points.
7. If a team answers the question incorrectly, the next team earns the opportunity to answer the same question.
8. A team has one minute to answer the question. The team can use that time to consult and agree on a response, before the nominated member provides the answer.
9. A team must have a total score of 600 points before they can attempt to answer a 500-point question.
10. Your teacher may apply penalties for students who call out answers or interfere with other groups.

**Note:** The topics 4 and 5 of the module, *Explaining business taxes* and *The goods and services tax (GST)*, are covered in part 4 of the Challenge quiz under the combined topic of *Business tax*.



## YOUR CHALLENGE QUIZ QUESTIONS

Points	Topic 1: What is a business?
100	What is a business?
200	How does a hobby differ from a business?
300	List three sections that should be included in a business plan.
400	Identify two documents that might be included in a financial plan.
500	Explain why business planning is important.

Points	Topic 2: Business structures
100	What is a sole trader?
200	How are the profits made by a partnership shared?
300	What is meant by the term 'limited liability' in relation to companies?
400	How is income tax levied on the profit made by a sole trader?
500	What is an essential difference in ownership structure between a sole trader business and a company?

Points	Topic 3: Running a business - tax obligations
100	What is PAYG withholding?
200	What factors are taken into account when deciding the amount of tax to withhold? (PAYG withholding)
300	What is the minimum rate that employers must contribute in superannuation for their eligible employees?
400	What might happen if a business does not have an ABN?
500	List two things a business must do when it ceases trading or has been sold.

Points	Topics 4 and 5: Explaining business taxes
100	At what rate is GST charged in Australia?
200	Name three items that attract excise duty.
300	List two features of company tax.
400	Above what level of sales revenue must a business register for GST?
500	Can a company claim the 50% discount on the capital gains tax paid on the profit from the sale of a CGT asset?

Points	Topic 6: How is business tax collected?
100	What is a business activity statement?
200	Name two taxes a business will report on an activity statement.
300	Under taxation law, how long must a business generally keep its records?
400	Outline four records that a business may need to keep.
500	List three things a business document must include for it to be acceptable as evidence for tax purposes.