

Tax 101

**QUICK  
TAX TEST**

Years 7-10

**Worksheet****YOU WILL:**

- ▶ test your new knowledge about the who, what, how and why of tax

**YOU WILL NEED:**

- ▶ *Answer sheet: Tax 101 – Quick test*

**TEST YOUR KNOWLEDGE**

Test the tax knowledge you've gained from working through Tax 101. There are eight questions in this test. (Choose ONE answer for each item.)

1. Select the best option to identify which level of government would impose and collect this tax.
  - a. Land tax
    - Australian Government
    - State or Territory Government
    - Local Government
  - b. Income tax
    - Australian Government
    - State or Territory Government
    - Local Government
  - c. Property rates
    - Australian Government
    - State or Territory Government
    - Local Government
  - d. Departure tax on overseas travellers
    - Australian Government
    - State or Territory Government
    - Local Government
  - e. Building permit
    - Australian Government
    - State or Territory Government
    - Local Government
  - f. Stamp duty
    - Australian Government
    - State or Territory Government
    - Local Government
  - g. Dog and cat registration
    - Australian Government
    - State or Territory Government
    - Local Government

2. Match the term with the definition of a type of tax.
- a. Progressive tax
- Tax rate increases as the income increases
  - Same percentage of tax is levied for all taxpayers
  - Same dollar amount of tax is paid by all taxpayers
- b. Proportional tax
- Tax rate increases as the income increases
  - Same percentage of tax is levied for all taxpayers
  - Same dollar amount of tax is paid by all taxpayers
- c. Regressive tax
- Tax rate increases as the income increases
  - Same percentage of tax is levied for all taxpayers
  - Same dollar amount of tax is paid by all taxpayers
3. Which level of government would provide these government services.
- a. Waste collection
- Australian Government
  - State or Territory Government
  - Local Government
- b. Immigration
- Australian Government
  - State or Territory Government
  - Local Government
- c. Defence
- Australian Government
  - State or Territory Government
  - Local Government
- d. Water and electricity
- Australian Government
  - State or Territory Government
  - Local Government
- e. Postage
- Australian Government
  - State or Territory Government
  - Local Government
- f. Street signs
- Australian Government
  - State or Territory Government
  - Local Government
4. The major form of taxation revenue for the Australian Government is:
- Personal income tax
  - Company tax
  - Goods and services tax (GST)
  - Petroleum excise
5. A surplus government budget is one where:
- Revenue equals spending
  - Revenue is greater than spending
  - Spending is greater than revenue
  - None of the above

6. A major function of the ATO is to:
- Set the level of taxes in Australia
  - Collect all taxes paid by Australian taxpayers
  - Make sure that the taxation levels are fair for all Australians
  - Collect the goods and services tax on behalf of the states and territories
7. The ATO administers the following tax legislation:
- Collection of excise duty
  - Collection of income tax
  - Collection of Higher Education Loan Program (HELP) debt
  - All of the above
8. In what year did these tax events occur?
- a. Medicare levy introduced
- 1895
  - 1901
  - 1944
  - 1984
  - 1985
- b. Pay as you earn (PAYE) tax system introduced
- 1895
  - 1901
  - 1942
  - 1984
  - 1985
- c. Capital gains tax (CGT) introduced
- 1895
  - 1901
  - 1944
  - 1984
  - 1985
- d. States and territories gave up the right to levy customs and excise duties
- 1895
  - 1901
  - 1944
  - 1984
  - 1985
- e. Income tax introduced in Victoria
- 1895
  - 1901
  - 1944
  - 1984
  - 1985