

1.2 Income and Taxes Questions

1. Paychecks can come in either paper or electronic forms?
 - a. True
 - b. False

2. Gross pay and net pay are the same things?
 - a. True
 - b. False

3. The amount you get paid for the number of hours you worked is called
 - a. Gross Pay
 - b. Clean Pay
 - c. Net Pay
 - d. Take-home Pay

4. The amount remaining after taxes and other deductions are taken from your gross pay is
 - a. Net Pay
 - b. Take-home Pay
 - c. Both A & B
 - d. Neither A nor B

5. Federal Insurance Contributions Act, or FICA, goes toward paying for what?
 - a. Social Security
 - b. Medicare
 - c. Both A & B
 - d. Neither A nor B

6. Federal and State taxes are calculated at the same rate no matter where you live?
 - a. True
 - b. False

7. State tax rates are the same no matter where you live?
 - a. True
 - b. False

8. Federal tax rates are the same no matter where you live?
 - a. True
 - b. False

9. Some deductions are optional because
 - a. They benefit my employer, so my boss wants me to do them.
 - b. They benefit the government, so I have to do them.
 - c. Nobody really benefits, which is good because I'm stingy.
 - d. They benefit me, so I can do them if I want to, but don't have to.

10. You should always double check the accuracy of your paycheck.
- a. True
 - b. False