

Name: _____

Period: _____

Due Date:

Ch 14 & 15 Fiscal Policy
Chapter 14: Taxes and Government Spending

Lesson 1: Taxes

Sin Tax:
Distribution of Income:
Incidence of a Tax:
Tax Loopholes:
Sales Tax:
Individual Income Tax:
Internal Revenue Service (IRS):
Tax Return:
Ability –to-Pay:
Proportional Tax:
Medicare:
Progressive Tax:
Marginal Tax Rate:
Flat Tax:
Value-Added Tax (VAT):
Capital Gains:

Lesson 2: Federal Government Finance

Fiscal Year:
Budget Deficit:
Budget Surplus:
Corporate Income Tax:
Excise Tax:
Customs Duty:
Public Sector:
Mandatory Spending:
Discretionary Spending:
Transfer Payments:
National Debt:
Private Sector:
Crowding-Out Effect:
Debt Ceiling:

Chapter 15: Fiscal Policy

Lesson 1: Demand-Side Policies

Fiscal Policy:
Keynesian Economics:
Multiplier:
Automatic Stabilizers:
Unemployment Insurance:
Entitlements:

1. Explain Keynes' demand-side fiscal policy.
2. What are the limitations of demand side fiscal policy?
3. What is the "tipping point"?

Lesson 2: Supply-Side Policies

Supply-Side Policies:
Laffer Curve:
Deregulation:

1. What are the goals of fiscal policy?
2. How did supply-side policies lead to economic growth?

Lesson 3: Economic Equilibrium

Macroeconomics:
Aggregate Supply:
Aggregate Demand:
Macroeconomic Equilibrium:

1. Why is a combination of demand-side and supply-side fiscal policy usually the best?