

Tax Burden Calculator

Calculate your total tax burden from federal and state taxes - Activity 1, Part A (8 minutes)

Income Information

Scenario: You earn \$40,000/year in {{STATE_NAME}}. Calculate your total tax burden including all federal and state taxes.

State

{{STATE_NAME}}

Annual Income (\$)

40000

Federal Taxes

Tax Type	Rate/Amount	Annual Cost
Federal Income Tax	~12% bracket	3000
Social Security	6.2%	2480
Medicare	1.45%	580
Federal Total		\$6,060

{{STATE_NAME}} Taxes

Tax Type	Rate/Amount	Annual Cost
State Income Tax	{{STATE_TAX_STRUCTURE}}	0
Sales Tax (assume \$10k spending)	<input type="text"/> %	0

Tax Type	Rate/Amount	Annual Cost
Property Tax (if own home)	Varies	<input type="text" value="0"/>
Gas Tax (assume 500 gal/yr)	\$ <input type="text" value="___"/> /gal	<input type="text" value="0"/>
Other State/Local Taxes	Various	<input type="text" value="0"/>
{{STATE_NAME}} Total		\$0

Tax Burden Analysis

Federal Taxes

\$6,060

State/Local Taxes

\$0

Total Tax Burden

\$6,060

% of Income

15.2%

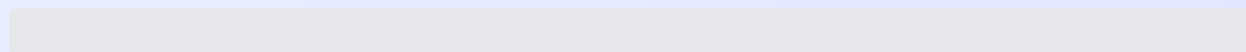
Federal Taxes

\$6,060



State/Local Taxes

\$0



Analysis Questions

1. What do you get for these taxes? List 5 services you use:

Federal: National defense, Social Security, Medicare, roads, courts

State: Schools, police/fire, roads, parks, universities

1. _____

2. _____

3. _____

4. _____

5. _____

2. Are you getting good value? Do benefits exceed costs?

Consider whether the services you receive are worth the taxes you pay...

3. How does {{STATE_NAME}} compare to other states?

High-tax states: CA, NY, NJ (more services but higher costs)

Low-tax states: TX, FL, TN (fewer services but lower costs)

Would you rather live in a high-tax or low-tax state? Why?