

HS.PFE.D.3

STANDARD STATEMENT:

Understand taxes associated with various sources of income and common tax credits that could reduce individual tax liability.

ESSENTIAL QUESTIONS:

By the end of the unit, students should be able to answer:

- How do different sources of income impact an individual's tax liability?
- How do different tax credits reduce overall income taxes, and what are their implications for taxpayers?

PNWFCU LESSON THAT MEETS THE STANDARD:

- [Employee Benefits](#)
- [Take-Home Pay](#)

SUPPORTING RESOURCES:

- [Open Education Resources/Oregon Open Learning Group](#)
- [Understanding Taxes with the IRS](#)

POTENTIAL STUDENT ACTIVITIES:

Activity: Tax Liability Comparison

Scenario-Based Analysis:

- Provide students with different income scenarios (e.g., salaried employee, stock market investor, freelance graphic designer).
- Ask students to calculate the tax liability for each scenario.
- Discuss the impact of different income sources on overall tax payments.

Case Studies:

- Assign case studies related to real individuals with varying income sources.
- Students can analyze their tax returns, identify deductions, and compare tax liabilities.
- Encourage critical thinking about tax planning strategies.

Debate or Panel Discussion:

- Divide the class into two groups: one advocating for earned income and the other for investment income (interest, dividends, capital gains).
- Conduct a debate or panel discussion on which type of income should be taxed more or less.
- Consider economic, social, and equity perspectives.

QUESTIONS:

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