Teacher Answer Key

Case Study

1. Payroll deductions came out before the deposit. Alex expected $180 but received $140, because $25 went to federal taxes, $8 to Social Security, and $7 to Medicare, which is $40 total.

2. Alex can budget from take-home pay instead of hours times wage. Knowing roughly $40 a paycheck goes to deductions means planning around $140, not $180, so the money is not promised twice.

Multiple Choice

1. D

2. C

3. A

Matching

1-D, 2-A, 3-E, 4-C, 5-B

Fill-in-the-Blank

1) Gross, 2) Seniors, 3) Taxes

Short Answer (Sample Responses)

Q1: Understanding deductions helps you plan your budget and avoid financial surprises.

Q2: Taxes fund essential services like education, healthcare, and infrastructure.

Q3: Strategies include keeping records, understanding pay stubs, and asking for guidance.