

Name _____ Date _____
Real World Math Period _____

Unit 1, Quiz 2 REVIEW
Income Taxes and Deductions

1. Use the tax table (on the last page) to answer the following questions:

- a. How much tax would a single person have to pay on an adjusted income of \$29,713?
- b. How much would a head of household have to pay on an adjusted income of \$24,279?
- c. If you are married but filing separately and owe \$5,939 in income tax, what was your income range for the year covered in the table?
- d. If you are married and filing jointly and owe \$4,121 in income tax, what was your income range for the year covered in the table?
- e. Our tax code is tiered (different tax rates for different levels of income). A single person pays 15% for every dollar earned up to \$24,700 and 28% for every dollar above \$24,700.

→ If you are single and make \$36,200, how much tax would you pay?

→ If you are single and make \$43,700, how much tax would you pay?

2. Assume you are a **single** person making **\$38,000** a year. Use the following tax rates to answer questions a-f:

I. Federal Tax Rates:

Schedule X—Single		
If taxable income is:		
over:	but not over:	The tax is:
\$0	\$7,550	10% of the amount over \$0
\$7,550	\$30,650	\$755 plus 15% of the amount over \$7,550
\$30,650	\$74,200	\$4,200 plus 25% of the amount over \$30,650
\$74,200	\$154,800	\$15,107.50 plus 28% of the amount over \$74,200
\$154,800	\$336,550	\$37,675.50 plus 33% of the amount over \$154,800
\$336,550	no limit	\$97,653 plus 35% of the amount over \$336,550

II. New York State Tax Rates:

Single and married filing separately—(filing status 1 and 3)		
If Form IT-150 line 26 or Form IT-201 line 38 is:		
over:	but not over:	The tax is:
\$0	\$8,000	4% of Form IT-150 line 26 or Form IT-201 line 38
\$8,000	\$11,000	\$320 plus 4.5% of the excess over \$8,000
\$11,000	\$13,000	\$455 plus 5.25% of the excess over \$11,000
\$13,000	\$20,000	\$560 plus 5.9% of the excess over \$13,000
\$20,000	\$100,000	\$973 plus 6.85% of the excess over \$20,000
\$100,000	\$200,000	\$6,453 plus 7.25% of the excess over \$100,000
\$500,000	no limit	\$35,453 plus 7.7% of the excess over \$500,000

III. Social Security Tax Rate: 6.2% of total income

IV. Medicare Tax Rate: 1.45% of total income

2. Remember: Assume you are **single** and make **\$38,000** a year. If necessary, round your ANSWERS to the nearest cent or hundredths place.

- a. How much do you pay in federal taxes?

- b. How much do you pay in state taxes?

- c. How much do you pay for social security?

- d. How much do you pay for Medicare?

- e. How much in income taxes do you pay total for the year?

- f. What percent of your income goes to these taxes?

3. Complete the table using 4 of the deductions from the following pay stub and answer questions a and b. If necessary, round your ANSWERS to the nearest cent or hundredths place.

Period Start	<i>April 28, 2007</i>	Period End	<i>May 2, 2008</i>
<u>Earnings</u>	<u>Taxes</u>	<u>Current Pay Period</u>	<u>Year to Date</u>
BON GTS 150.00	Soc. Security	17.05	332.63
BONSPRG 125.00	Medicare	3.98	77.79
	FED WTH	17.31	565.13
	NY WTH	0.27	141.65
Gross Pay 275.00		Tax Total 38.61	Net Pay 236.39

Type of Deduction	Social Security	Medicare	Federal Tax	New York State Tax
Amount of Tax				
Percent Rate				

a. What is the total amount of pay that was deducted?

b. What percent of the total pay was deducted?

1997 Tax Table—Continued

If line 38 (taxable income) is—		And you are—				If line 38 (taxable income) is—		And you are—				If line 38 (taxable income) is—		And you are—			
At least	But less than	Single	Married filing jointly	Married filing sepa- rately	Head of a house- hold	At least	But less than	Single	Married filing jointly	Married filing sepa- rately	Head of a house- hold	At least	But less than	Single	Married filing jointly	Married filing sepa- rately	Head of a house- hold
Your tax is—						Your tax is—						Your tax is—					
23,000						26,000						29,000					
23,000	23,050	3,454	3,454	3,769	3,454	26,000	26,050	4,083	3,904	4,609	3,904	29,000	29,050	4,923	4,354	5,449	4,354
23,050	23,100	3,461	3,461	3,783	3,461	26,050	26,100	4,097	3,911	4,623	3,911	29,050	29,100	4,937	4,361	5,463	4,361
23,100	23,150	3,469	3,469	3,797	3,469	26,100	26,150	4,111	3,919	4,637	3,919	29,100	29,150	4,951	4,369	5,477	4,369
23,150	23,200	3,476	3,476	3,811	3,476	26,150	26,200	4,125	3,926	4,651	3,926	29,150	29,200	4,965	4,376	5,491	4,376
23,200	23,250	3,484	3,484	3,825	3,484	26,200	26,250	4,139	3,934	4,665	3,934	29,200	29,250	4,979	4,384	5,505	4,384
23,250	23,300	3,491	3,491	3,839	3,491	26,250	26,300	4,153	3,941	4,679	3,941	29,250	29,300	4,993	4,391	5,519	4,391
23,300	23,350	3,499	3,499	3,853	3,499	26,300	26,350	4,167	3,949	4,693	3,949	29,300	29,350	5,007	4,399	5,533	4,399
23,350	23,400	3,506	3,506	3,867	3,506	26,350	26,400	4,181	3,956	4,707	3,956	29,350	29,400	5,021	4,406	5,547	4,406
23,400	23,450	3,514	3,514	3,881	3,514	26,400	26,450	4,195	3,964	4,721	3,964	29,400	29,450	5,035	4,414	5,561	4,414
23,450	23,500	3,521	3,521	3,895	3,521	26,450	26,500	4,209	3,971	4,735	3,971	29,450	29,500	5,049	4,421	5,575	4,421
23,500	23,550	3,529	3,529	3,909	3,529	26,500	26,550	4,223	3,979	4,749	3,979	29,500	29,550	5,063	4,429	5,589	4,429
23,550	23,600	3,536	3,536	3,923	3,536	26,550	26,600	4,237	3,986	4,763	3,986	29,550	29,600	5,077	4,436	5,603	4,436
23,600	23,650	3,544	3,544	3,937	3,544	26,600	26,650	4,251	3,994	4,777	3,994	29,600	29,650	5,091	4,444	5,617	4,444
23,650	23,700	3,551	3,551	3,951	3,551	26,650	26,700	4,265	4,001	4,791	4,001	29,650	29,700	5,105	4,451	5,631	4,451
23,700	23,750	3,559	3,559	3,965	3,559	26,700	26,750	4,279	4,009	4,805	4,009	29,700	29,750	5,119	4,459	5,645	4,459
23,750	23,800	3,566	3,566	3,979	3,566	26,750	26,800	4,293	4,016	4,819	4,016	29,750	29,800	5,133	4,466	5,659	4,466
23,800	23,850	3,574	3,574	3,993	3,574	26,800	26,850	4,307	4,024	4,833	4,024	29,800	29,850	5,147	4,474	5,673	4,474
23,850	23,900	3,581	3,581	4,007	3,581	26,850	26,900	4,321	4,031	4,847	4,031	29,850	29,900	5,161	4,481	5,687	4,481
23,900	23,950	3,589	3,589	4,021	3,589	26,900	26,950	4,335	4,039	4,861	4,039	29,900	29,950	5,175	4,489	5,701	4,489
23,950	24,000	3,596	3,596	4,035	3,596	26,950	27,000	4,349	4,046	4,875	4,046	29,950	30,000	5,189	4,496	5,715	4,496
24,000						27,000						30,000					
24,000	24,050	3,604	3,604	4,049	3,604	27,000	27,050	4,363	4,054	4,889	4,054	30,000	30,050	5,203	4,504	5,729	4,504
24,050	24,100	3,611	3,611	4,063	3,611	27,050	27,100	4,377	4,061	4,903	4,061	30,050	30,100	5,217	4,511	5,743	4,511
24,100	24,150	3,619	3,619	4,077	3,619	27,100	27,150	4,391	4,069	4,917	4,069	30,100	30,150	5,231	4,519	5,757	4,519
24,150	24,200	3,626	3,626	4,091	3,626	27,150	27,200	4,405	4,076	4,931	4,076	30,150	30,200	5,245	4,526	5,771	4,526
24,200	24,250	3,634	3,634	4,105	3,634	27,200	27,250	4,419	4,084	4,945	4,084	30,200	30,250	5,259	4,534	5,785	4,534
24,250	24,300	3,641	3,641	4,119	3,641	27,250	27,300	4,433	4,091	4,959	4,091	30,250	30,300	5,273	4,541	5,799	4,541
24,300	24,350	3,649	3,649	4,133	3,649	27,300	27,350	4,447	4,099	4,973	4,099	30,300	30,350	5,287	4,549	5,813	4,549
24,350	24,400	3,656	3,656	4,147	3,656	27,350	27,400	4,461	4,106	4,987	4,106	30,350	30,400	5,301	4,556	5,827	4,556
24,400	24,450	3,664	3,664	4,161	3,664	27,400	27,450	4,475	4,114	5,001	4,114	30,400	30,450	5,315	4,564	5,841	4,564
24,450	24,500	3,671	3,671	4,175	3,671	27,450	27,500	4,489	4,121	5,015	4,121	30,450	30,500	5,329	4,571	5,855	4,571
24,500	24,550	3,679	3,679	4,189	3,679	27,500	27,550	4,503	4,129	5,029	4,129	30,500	30,550	5,343	4,579	5,869	4,579
24,550	24,600	3,686	3,686	4,203	3,686	27,550	27,600	4,517	4,136	5,043	4,136	30,550	30,600	5,357	4,586	5,883	4,586
24,600	24,650	3,694	3,694	4,217	3,694	27,600	27,650	4,531	4,144	5,057	4,144	30,600	30,650	5,371	4,594	5,897	4,594
24,650	24,700	3,705	3,701	4,231	3,701	27,650	27,700	4,545	4,151	5,071	4,151	30,650	30,700	5,385	4,601	5,911	4,601
24,700	24,750	3,719	3,709	4,245	3,709	27,700	27,750	4,559	4,159	5,085	4,159	30,700	30,750	5,399	4,609	5,925	4,609
24,750	24,800	3,733	3,716	4,259	3,716	27,750	27,800	4,573	4,166	5,099	4,166	30,750	30,800	5,413	4,616	5,939	4,616
24,800	24,850	3,747	3,724	4,273	3,724	27,800	27,850	4,587	4,174	5,113	4,174	30,800	30,850	5,427	4,624	5,953	4,624
24,850	24,900	3,761	3,731	4,287	3,731	27,850	27,900	4,601	4,181	5,127	4,181	30,850	30,900	5,441	4,631	5,967	4,631
24,900	24,950	3,775	3,739	4,301	3,739	27,900	27,950	4,615	4,189	5,141	4,189	30,900	30,950	5,455	4,639	5,981	4,639
24,950	25,000	3,789	3,746	4,315	3,746	27,950	28,000	4,629	4,196	5,155	4,196	30,950	31,000	5,469	4,646	5,995	4,646
25,000						28,000						31,000					
25,000	25,050	3,803	3,754	4,329	3,754	28,000	28,050	4,643	4,204	5,169	4,204	31,000	31,050	5,483	4,654	6,009	4,654
25,050	25,100	3,817	3,761	4,343	3,761	28,050	28,100	4,657	4,211	5,183	4,211	31,050	31,100	5,497	4,661	6,023	4,661
25,100	25,150	3,831	3,769	4,357	3,769	28,100	28,150	4,671	4,219	5,197	4,219	31,100	31,150	5,511	4,669	6,037	4,669
25,150	25,200	3,845	3,776	4,371	3,776	28,150	28,200	4,685	4,226	5,211	4,226	31,150	31,200	5,525	4,676	6,051	4,676
25,200	25,250	3,859	3,784	4,385	3,784	28,200	28,250	4,699	4,234	5,225	4,234	31,200	31,250	5,539	4,684	6,065	4,684
25,250	25,300	3,873	3,791	4,399	3,791	28,250	28,300	4,713	4,241	5,239	4,241	31,250	31,300	5,553	4,691	6,079	4,691
25,300	25,350	3,887	3,799	4,413	3,799	28,300	28,350	4,727	4,249	5,253	4,249	31,300	31,350	5,567	4,699	6,093	4,699
25,350	25,400	3,901	3,806	4,427	3,806	28,350	28,400	4,741	4,256	5,267	4,256	31,350	31,400	5,581	4,706	6,107	4,706
25,400	25,450	3,915	3,814	4,441	3,814	28,400	28,450	4,755	4,264	5,281	4,264	31,400	31,450	5,595	4,714	6,121	4,714
25,450	25,500	3,929	3,821	4,455	3,821	28,450	28,500	4,769	4,271	5,295	4,271	31,450	31,500	5,609	4,721	6,135	4,721
25,500	25,550	3,943	3,829	4,469	3,829	<											