

Name _____

Tax Brackets and Filing Status: Crack the Tax Code!

Open-Ended Response Answer Key

1. If you earned \$30,000 with the given tax brackets, you would pay 10% on the first \$20,000 and 15% on the remaining \$10,000. This results in a total tax of \$2,000 + \$1,500, which is \$3,500.
2. The advantage of filing as Single is simplicity, but Head of Household may offer lower tax rates and higher deductions for single parents with dependents. The choice depends on individual circumstances.
3. Yes, your filing status can change during the year due to life events like marriage, divorce, or the birth of a child. For example, if you get married in October, you can choose to file as Married for that tax year.
4. Learning about tax brackets and filing status helps young people understand how taxes work and make informed financial decisions, setting them up for financial success in the future.

