

Name \_\_\_\_\_

## Deciphering North Carolina's Tax Structure

### Multiple Choice Questions

1. What type of tax increases as income levels rise in North Carolina?
  - A) Sales tax
  - B) Property tax
  - C) Income tax
  - D) Corporate income tax
  
2. Who decides the additional sales tax rates in North Carolina?
  - A) The governor
  - B) Individual counties
  - C) The state legislature
  - D) The federal government
  
3. What is the purpose of tax deductions and credits in North Carolina's tax system?
  - A) To increase overall tax rates
  - B) To encourage certain behaviors and make the tax system fairer
  - C) To simplify tax calculations
  - D) To lower property tax rates
  
4. Who determines North Carolina's state budget?
  - A) Local governments
  - B) The federal government
  - C) The state legislature
  - D) The governor
  
5. How can property taxes indirectly affect renters in North Carolina?
  - A) Renters are not affected by property taxes.
  - B) Property taxes cannot be passed on to tenants.
  - C) Landlords may increase rent to cover property tax costs.
  - D) Property taxes are solely the responsibility of homeowners.

