

Name _____

Cracking the Code: Understanding Pennsylvania's Tax Structure

Short Answer

1. What is the purpose of the inheritance tax in Pennsylvania, and how are the tax rates determined based on the relationship between the deceased and the beneficiaries?
2. Can you name one item or activity that is typically subject to excise taxes in Pennsylvania? What is the purpose of taxing such items or activities?
3. Explain why property tax revenue in Pennsylvania is primarily used to fund local services like schools, police, and fire departments.
4. What is the main difference between the sales tax rate and the income tax rate in Pennsylvania?
5. How does the corporate income tax rate of 9.99% impact businesses operating in the state, and are there any factors that may lower their effective tax rate?

