

Name _____

Understanding Taxes in Illinois: How the State's Tax System Works

Multiple Choice Questions

1. What type of income tax system does Illinois have?
 - a) Progressive
 - b) Regressive
 - c) Flat-rate
 - d) Graduated

2. What is the current income tax rate in Illinois as of 2022?
 - a) 3%
 - b) 4.25%
 - c) 4.95%
 - d) 5.5%

3. How does the sales tax rate vary across Illinois?
 - a) It is the same everywhere in the state.
 - b) It depends on the buyer's income.
 - c) It depends on the location of the purchase.
 - d) It is determined by the buyer's age.

4. What primarily funds local governments like school districts and municipalities in Illinois?
 - a) Federal grants
 - b) Property taxes
 - c) State income taxes
 - d) Sales taxes

5. Excise taxes in Illinois are typically applied to which of the following?
 - a) Groceries
 - b) Clothing
 - c) Gasoline
 - d) Books

