

Name _____

Cracking the Code: Understanding California's Tax System

Multiple Choice Questions

1. What is the purpose of income tax in California?
 - a) To regulate the sale of goods
 - b) To discourage the consumption of certain products
 - c) To fund education, healthcare, and public services
 - d) To support transportation infrastructure

2. What is the statewide base sales tax rate in California?
 - a) 5%
 - b) 6%
 - c) 7.25%
 - d) 8%

3. Property tax revenue in California primarily supports which services?
 - a) Education and healthcare
 - b) Law enforcement and fire departments
 - c) Transportation projects
 - d) Social programs like Social Security

4. Why is gasoline tax collected in California?
 - a) To discourage the use of gasoline
 - b) To generate revenue for maintaining and improving roads
 - c) To support healthcare programs
 - d) To fund public schools

5. What do excise taxes in California typically target?
 - a) Goods like gasoline and diesel fuel
 - b) Income and property
 - c) Real estate
 - d) Vehicle registration

