

Name \_\_\_\_\_

## Cracking the Code: Understanding California's Tax System

### Short Answer Key

1. The progressive income tax system in California means that those with higher incomes pay a higher percentage of their earnings in taxes.
2. Vehicle registration fees are based on the value and age of vehicles and help maintain roads, fund the California Highway Patrol, and support transportation projects.
3. Excise taxes are imposed on specific goods to regulate consumption and generate revenue for public programs.
4. Property tax rates are set by local governments and vary by location, with the revenue primarily supporting local schools, public safety, and community services.
5. Social Security is one social program funded by payroll taxes in the United States.

