

Name _____

Cracking the Code: Understanding Taxes in Texas

Multiple Choice Questions

1. What is one reason Texas is known for its low-tax environment?
 - a) High state income tax
 - b) Low sales tax
 - c) Lack of a state income tax
 - d) Low property tax rates

2. How does Texas make up for the absence of a state income tax?
 - a) By imposing high property taxes
 - b) By relying heavily on sales taxes
 - c) By increasing motor vehicle taxes
 - d) By charging a state income tax on residents

3. What is the statewide sales tax rate in Texas?
 - a) 4%
 - b) 6.25%
 - c) 8%
 - d) 10%

4. Who determines the assessed value of properties for property tax purposes in Texas?
 - a) State government
 - b) Local appraisal districts
 - c) Federal government
 - d) Property owners

5. Which government service receives a significant portion of property tax revenue in Texas?
 - a) Transportation infrastructure
 - b) Healthcare
 - c) Public schools
 - d) Parks and recreation

