



for Grades 6-8



Teacher Presentation Slides

for use with Educator Guide



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LEVEL 3, LESSON 2



EXPLAINING TAXES



Current Amount		Withholdings/Deductions	Current Amount	Year to Date
600.00		FICA MED TAX	6.70	181.40
		FICA SS TAX	37.20	818.40
		FED TAX	58.57	
		MA ST TAX	26.19	626.15
Net Pay	YTD Earnings	YTD Deductions	YTD Net Pay	Check No.
466.34	13,200.00	2,940.43	10,259.57	2756

INCOME AND TAXES

My First Job	My Second Job	My Third Job
<p>Level of Education: <i>Bachelor's degree</i></p> <p>Job Experience: <i>First month on the job</i></p> <p>Salary: <i>\$40,000 annually</i></p>	<p>Level of Education: <i>Master's degree</i></p> <p>Job Experience: <i>Five years on the job</i></p> <p>Salary: <i>\$76,000 annually</i></p>	<p>Level of Education: <i>Master's degree plus an Advanced Certificate</i></p> <p>Job Experience: <i>20 years on the job</i></p> <p>Salary: <i>\$122,000 annually</i></p>

TAX BRACKET FOR 2014

If Taxable Income Is:	The Tax Is:
Not over \$9,075	10% of the taxable income
Over \$9,075 but not over \$36,900	\$907.50 plus 15% of the excess over \$9,075
Over \$36,900 but not over \$89,350	\$5,081.25 plus 25% of the excess over \$36,900
Over \$89,350 but not over \$186,350	\$18,193.75 plus 28% of the excess over \$89,350
Over \$186,350 but not over \$405,100	\$45,353.75 plus 33% of the excess over \$186,350
Over \$405,100 but not over \$406,750	\$117,541.25 plus 35% of the excess over \$405,100
Over \$406,750	\$118,118.75 plus 39.6% of the excess over \$406,750

Source: http://www.irs.gov/irb/2013-47_IRB/ar11.html