

When the class is asked to calculate percentages without using a calculator, Darwin is always the first to answer. Read his tips and see if it helps you.



I always begin with the easiest percentage to calculate – which is 10%. Because 10% is one-tenth of a number, I remove one zero:  
 10% of 20,000 = 2,000  
 If I have to find a different percentage, like 20%, I start with the answer for 10% then double it because 20 is 2 x 10:  
 10% of 20,000 = 2,000 so  
 20% of 20,000 is 2,000 x 2 = 4,000

## 1. REGRESSIVE TAX

An example of a regressive tax is motor vehicle registration.

- a. If registration for each vehicle is \$500, how much does each person in the table below have to pay for motor vehicle registration? Complete the blanks in the table below.



Individual	No of cars	Show your working	Total amount of tax paid
Indigo	0		
Leonora	1		
Burnie	3		

- b. Is regressive tax a fair tax for motor vehicle registration? Why/Why not?

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- c. How do you think the state government spends motor vehicle registration fees?

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## 2. PROPORTIONAL TAX

An example of proportional tax is the Goods and Services tax (GST)

- a. If GST is 10%, how much does each person pay each year in GST? Complete the blanks in the table below:

Individual	Yearly spending on goods and services that are subject to GST	Show your working	Total amount of tax paid
Indigo	10,000		
Leonora	20,000		
Burnie	50,000		

- b. Is proportional tax a fair tax for the goods and services we buy? Why/Why not?

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## 3. PROGRESSIVE TAX

An example of progressive tax in Australia is income tax

- a. Calculate the amount of tax paid by each person in the following table:

Individual	Yearly income	Percentage of income paid in tax	Show your working	Total amount of tax paid
Indigo	\$15,000	0%		
Leonora	\$50,000	20%		
Burnie	\$200,000	30%		

- b. Is progressive tax a fair tax income? Why/Why not?

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## 4. CALCULATE THE TOTAL TAX PAID BY EACH CITIZEN

Individual	Motor vehicle registration	GST	Income tax	Show your working	Total tax paid
Indigo					
Leonora					
Burnie					

- a. How much does each person have left each year after paying tax?
- b. Is the total amount of tax paid by each citizen fair? Why/Why not?
- c. How much does each person have at the end of each week after all taxes are deducted?
- d. Is the total amount of tax paid by each citizen fair? Why/why not?

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