



Changing the tax landscape



This sequence is intended as a framework to be modified and adapted by teachers to suit the needs of a class group.

Resources needed

- Principles of a good taxation system – Visualiser
- Tax models – Interactive
- The impact of a tax change – Worksheet
- Tax change proposal cards (one different card per group of students)
- Changing the tax landscape – Group instructions

Suggested activity sequence

Part A: Interactive

- 1 Use the *Visualiser* to explain that a well-designed tax system will meet its revenue raising objective, while balancing the core principles of equity, efficiency and simplicity.
- 2 As you explain each principle in turn, invite students to provide further examples if they can.
- 3 Students complete the *Worksheet*. They will need to access the *Tax models – Interactive*.

Go to taxsuperandyou.gov.au and search for 'tax models interactive'.

Part B: Group task

- 1 Use a *Grouping strategy* to organise students into groups of 3.
- 2 Give each group one of the *Proposal cards*. Ensure all cards have been distributed.
- 3 Groups follow the *Group instructions* to complete the task.
- 4 Allow time for students to work through their predictions and present their findings to the class.
- 5 Discuss each tax reform in turn and decide as a class if the reform:
 - supports the achievement of the domestic macroeconomic goals
 - improves Australia's productive capacity
 - improves living standards
 - affects equity in the distribution of income
 - meets the principles of a good taxation system.
- 6 Class members rank the tax reforms in order of their effectiveness as a microeconomic or aggregate supply policy.
- 7 Compare and discuss student rankings.
- 8 Students write a short explanation of the most effective tax reform.