Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

COMPLETION

12

Fill in the blank with the term being defined.

_____1. Official whose duty it is to place a value on property for tax purposes

_____2. A two-year period

_____3. A plan of expected income and expenditures for a given period of time

_____4. The property of a person who has died

_____5. A tax on the act of removing minerals from the ground

_____6. A measurement used by government to impose taxes on property

_____7. Compulsory contribution for a public purpose

_____8. The present rate of taxation on of a pack of cigarettes

_____9. The act of adjusting property assessments to see that they are fair for everyone being assessed

_____10. Land, buildings and permanent fixtures to the land or buildings

_____11. A tax category that includes gas taxes and motor vehicle license fees

_____12. The tax that contributes the most to the general fund

_____13. The local government that receives over half of the property taxes

_____14a. Two local governments that share in the state highway user taxes

_____14b.

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

MULTIPLE CHOICE

12

Choose the best answer for each of the following items. Place the letter of your answer in the blank provided. Read carefully. There is only one best answer for each question.

_____ 1. The federal government relies heavily on what tax?

a. sales tax
b. severance tax
c. use tax
d. income tax

_____ 2. Property taxes are measured by the _?_.

a. yard
b. millimeter
c. square foot
d. mill

_____ 3. A few cities in North Dakota operate power plants that sell what to residents?

a. gas
b. garbage
c. alcohol
d. electricity

_____ 4. What types of business are local governments in North Dakota prohibited from operating?

a. water
b. dry cleaning
c. alcohol
d. electricity

_____ 5. The category requiring the largest expenditure in 2011–2013 is _?_.

a. Education
b. Health and Human Services
c. Public Safety
d. Transportation

_____ 6. Which of the following is expected to bring in the most general fund revenue for the 2011–2013 biennium?

a. income tax
b. sales and use tax
c. oil extraction tax
d. Bank of North Dakota

_____ 7. Farmland is assessed according to _?_.

a. 10% of the market value
b. productivity
c. 9% of the market value
d. income tax paid by land owner

_____ 8. A tax which falls more heavily on those who are most able to pay is known as _?_.

a. regressive
b. progressive
c. assessed
d. sumptuary

_____ 9. The governor's budget is known as the _?_.

a. legislative budget
b. judicial budget
c. executive budget
d. appropriated budget

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

ANALYZING STATE REVENUE

12

The table of Page 141 shows the various revenues sources of the state general fund for 2011–2013. To set the stage for analysis, give the amount expected for the following:

$_____ Sales and Use tax

$_____ Individual Income tax

$_____ Corporate Income Tax

$_____ Cigarette and Tobacco Tax

$_____ Wholesale Liquor Taxes

$_____ Gaming (gambling) Taxes

1. Do we have a fair balance between the sales and the individual income tax? Defend your answer.

2. Would raising corporate income taxes to reduce other taxes be good state policy? Why or why not?

3. What changes, if any, would you make in the cigarette, tobacco, and liquor taxes?

4. Give two reasons for and two reasons against the taxing of various gambling activities.

For

a. _____

b. _____

Against

a. _____

b. _____

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

EVALUATING: COMPARING TAXES

12

Below are five sets of two types of taxes. Place an "X" in front of the tax you feel is most fair of the two given, in the space provided, and the reason for your choice.

_____ Sales Tax _____ Income Tax	REASON:
_____ Estate Tax _____ Sales Tax	REASON:
_____ Cigarette Tax _____ Coal Severance Tax	REASON:
_____ Sumptuary Tax _____ Income Tax	REASON:
_____ Liquor Tax _____ Gas Tax	REASON:
_____ Severance Tax _____ Income Tax	REASON:

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

VOCABULARY BUILDING

12

Below are a number of terms used in Chapter 12. Look them up in a dictionary to discover their general meaning. Then explain in a few words why they are used in Chapter 12.

TERM	DICTIONARY DEFINITION	WHY USED IN CHAPTER 12?
1. assess		
2. biennial		
3. regressive		
4. severance		
5. sumptuary		
6. exempt		
7. license		
8. irrigable		
9. reciprocity		
10. surplus		

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

OPINION DEVELOPMENT

12

In a paragraph, state your opinion on the following questions. Remember that every paragraph should begin with a main topic sentence and this should be followed by details supporting the main topic sentence.

1. Should state government operate businesses such as the State Mill and Elevator and the Bank of North Dakota? What would you say to a legislative committee?

2. Should homes, utilities, railroads, farmlands, and businesses be taxed at the same rate under the property tax? Why or why not?

Name: _____

FINANCING STATE AND LOCAL GOVERNMENT

DISCUSSION AGENDA

12

Use this agenda to interview the person in charge of local assessing of property for tax purposes.

1. How are assessors chosen for their jobs?

2. What kind of training is required to serve as an assessor?

3. What is supposed to be the basis of all assessments?

4. How do you go about assessing the following kinds of property? Please explain the problems in assessing each kind.
    a. Farmland
    b. Business places
        1. A grocery store
        2. A lawyer's office
        3. A gas station
    c. A home in a large community
    d. A home in a dying community

5. Could you use an example to explain what is meant by "equalizing?"

6. Could you comment on each of the criticisms about property taxes.
    a. Assessments may be influenced by relatives and friends.
    b. The market is so different for all kinds of property that it is impossible to determine value.
    c. High valued homes tend to be under-assessed and low valued homes tend to be over-assessed.
    d. Property tax is regressive because it taxes people whether they have income or not.
    e. Farmers pay more than their share of taxes when property tax is used.
    f. Homes in dying towns have no value and therefore should not be assessed at all.
    g. Equalizing doesn't really improve assessments.
    h. Other criticisms

7. Generally, how do you feel about the property tax? What improvements would you make?

8. What do you like least—and best—about your job?