

Name: \_\_\_\_\_ Date: \_\_\_\_\_

## Wrangle the Town Budget: A 4th Grade Economics Quiz

Tackle 10 questions about how community taxes and government spending keep your city running smoothly.

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**1. When a city decides to build a new public playground for all children to use, what is this an example of?**

- A. Private savings
- B. Government spending
- C. A business loan
- D. Personal income

**2. True or False: The money the government collects from citizens to pay for things like libraries and firefighters is called taxes.**

- A. True
- B. False

**3. A community needs more workers to build a new bridge. By spending money on this project, the government helps create \_\_\_\_\_ for the people.**

- A. taxes
- B. debts
- C. jobs
- D. prices

**4. Which of these is a common reason a local government might choose to lower taxes for its citizens?**

- A. To discourage people from shopping
- B. To give families more money to spend at local stores
- C. To make sure the library stays closed
- D. To stop people from moving to the city

**5. If a town wants to protect its citizens from house fires, which government action is most helpful?**

- A. Charging a fee for books
- B. Spending tax money on a fire department
- C. Closing all the roads
- D. Lowering the minimum wage

**6. True or False: Governments only spend money on things they can sell for a profit.**

- A. True
- B. False

**7. When the government makes a plan for how much money it will collect and how it will spend it, this plan is called a \_\_\_\_\_.**

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- A. receipt
- B. checkbook
- C. budget
- D. shopping list

**8. Which of these items would likely be funded by tax dollars in your local community?**

- A. A family's groceries
- B. A child's new video game
- C. The local public school
- D. A private movie theater

**9. True or False: Decisions about taxing and spending are part of what experts call fiscal policy.**

- A. True
- B. False

**10. If a government decides to spend more money on building new schools than it did last year, it is using its \_\_\_\_\_ powers.**

- A. fiscal
- B. judicial
- C. military
- D. private