

Name: _____ Date: _____

Answer Key: Town Budget Hero Quiz for 2nd Grade

Kids take charge of community tax dollars to build parks and fix roads while learning how public money helps everyone thrive.

1. Our town needs a new library. Where does the government get the money to build it?

Answer: B) From taxes paid by people and businesses

Taxes are small amounts of money people pay to the government so that the community can afford big things like libraries and schools.

2. Public workers, like firefighters and police officers, are paid using government money.

Answer: A) True

Firefighters and police provide a public service, and their salaries come from the community tax fund.

3. When the government decides to spend money on _____ to fix potholes, it makes driving safer for families.

Answer: B) roads

Road maintenance is a major way governments use fiscal policy to help the town function smoothly.

4. If the government wants to help people buy more healthy food, what is one thing they could do?

Answer: C) Lower the taxes on fruits and vegetables

By lowering taxes on healthy items, the government makes them cheaper, which encourages families to buy them.

5. The government only spends money on things that help one single person.

Answer: B) False

Fiscal policy focuses on 'public goods,' which are things like parks and streetlights that everyone in the community can use.

6. Creating a new _____ like 'Maple Leaf Park' is a way the government spends money to give kids a place to play.

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Answer: C) park

Public parks are paid for by the government to benefit the whole neighborhood.

7. Imagine the town has extra money this year. What is a 'fiscal policy' choice the leaders could make?

Answer: B) Buy a new snowplow for the winter

Buying equipment like a snowplow is a smart way to use government funds to keep the community safe.

8. The _____ is the plan the government makes to decide how much to earn and how much to spend.

Answer: A) budget

Just like a family budget, a government budget tracks money coming in (taxes) and money going out (spending).

9. When the government spends money to build a bridge, it creates jobs for construction workers.

Answer: A) True

Government spending often helps the economy by giving people jobs to build and fix public things.

10. Why does the government sometimes change how much people pay in taxes?

Answer: C) To make sure there is enough money for public services

Leaders adjust taxes to ensure there is enough money for important things like schools, safety, and health.