**Government Finances**

1. What is the government’s budget?
2. Who creates it?
3. What is a fiscal year?
4. The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ proposes a budget to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that then passes

 a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. What does the budget resolution do?
2. What is mandatory spending?
3. What are some examples?
4. What is discretionary spending?
5. What are some examples?
6. What are appropriations bills?
7. Who must approve them?
8. What are the two largest sources of federal income?
9. What are excise taxes?
10. What are estate taxes?
11. What is a proportional tax?
12. What is a progressive tax?
13. What are the two largest expenditures by the federal government?
14. What will happen to social security in the future?
15. What else does the government spend money on?

**State and Local Government**

What are the most important state revenues?

What are intergovernmental revenues?

Where do intergovernmental revenues come from?

What are other important sources of state income?

What are important sources of local government income?

What is property tax?

What is the difference between real property and personal property?

What are the goals of state entitlement programs?

What are two other things that states spend money on?

Why do states spend money on higher education?

What are four things that local governments spend money on?

What is the largest expenditure of local governments?

**Managing the Economy**

What is a surplus?

What is a deficit?

What does the federal government do when they need to borrow money?

What makes up the government’s debt?

What is a balanced budget?

Does the federal government have to have a balanced budget?

Does Arkansas have to have a balanced budget?

What causes government revenues to drop?

What is one way the federal government can stimulate the economy?

How can the federal government lower debt?

What is a problem making these policies?

What are some automatic stabilizers that can stimulate the economy?