



Lesson 18.26 “Taxation WITH Representation”

Unit 18: Civics and Government Today

Lesson Objectives

- Students will consider how the Revolutionary idea of “no taxation without representation” can be applied today.
- Students will calculate weekly and yearly pay for different businesses as well as fair tax rates
- Students will work with their classmates to determine the common good interests of the citizens of New Hampshire.

Lesson Competencies

- I can analyze and explain changes in society and how they impact people in the past and present. (Moose)
- I can generate and evaluate the appropriateness and efficiency of possible approaches for a given situation or conditions, such as application in authentic applied contexts. (Math 3)
- I can present grade-appropriate information that is supported with evidence, elaborating when elicited, and respond to questions with relevant ideas or comments. (ELA 7)

Essential Questions

How have New Hampshire’s people shaped its government?

Focus Questions

What are the responsibilities of federal, state, and local government?

How is a balance of power part of our democracy?

Estimated Time

One 45-minute class session

Materials & Equipment

Optional: class set of “No Taxation Without Representation”
Business cards – one set per group of 4-6 students
Class set of “Budget Planning Worksheet”
“New Hampshire State Budget” for distribution or display
Class set of “Excerpts from ‘You Asked, We Answered: Why is New Hampshire SO Against Having an Income Tax?’”



Educator Introduction & Rationale

When societies form governments, those governments are tasked with providing protections and services to their citizens. Benefits like the protection of the people and their property, the organization of laws, and the establishment of education are part of what the people receive in the social contract with the government, for which they give up some of their freedoms and rights. These benefits all come at a cost, as roads need to be built and maintained, libraries and schools staffed, and parks cared for. Local, state, and federal governments pay for these costs by collecting money in the form of taxes from the citizens. Figuring out how much money needs to be collected and how much to collect from each person is complicated. Americans often disagree about issues such as how much money the government should spend, what the government should spend money on, who should pay taxes, and how much they should pay. However, taxes are a fact of life, and the basic need for them is not disputed.

This is the fifteenth lesson for middle school students in Unit 18: Civics and Government Today and can stand alone from the unit. However, students will need a basic understanding of the differentiation between federal, state, and local governments. In this lesson, students consider why “No taxation without representation” was a rallying cry for colonists and how our modern tax system is different. Next, students will receive business cards and calculate the total net income for their business before working in a group to decide how to best fund the yearly expenses of the state. They will then reflect on what their business is giving up for the common good and how they benefit from the programs their taxes are funding. Finally, in an extension activity, students are asked to read an abridged article about the income tax debate in New Hampshire and use the article to identify arguments for and against levying an income tax.

Please adapt all the material in this lesson, as necessary, to meet the needs of the students in your classroom. Please note, lesson vocabulary and definitions are at the end of the document. You may wish to preview these with your students.

Before the Learning Activity

Student reading and comprehension questions

Introduction to Taxes. Direct students to read pages 1-5 from the ["Taxes and Conclusion" tab on Learn It! Unit 18](#)

Students should be able to answer:

1. Why are taxes an important part of government structure?
2. What do people get in return for paying taxes?

Learning Activity

Activation

"No Taxation Without Representation." In the 1770s, the American colonists were citizens of Great Britain but had their own colonial governments. They had grown tired of being taxed by the British Parliament in England for goods such as glass, paper, and tea without being represented at Parliament because they had no say over how their taxes were spent. When the Declaration of Independence was written, the colonists included among their complaints, "For imposing Taxes on us without our Consent." Ask students consider the phrase "no taxation without representation" in a modern context.

Consider:

- What does representation look like in the U.S. tax system?
- What checks and balances exist in this tax system?
- How can citizens voice their opinions about taxation?

This could be a classroom discussion, or utilize the "No Taxation Without Representation" worksheet.

Direct Instruction

Taxes in modern times. Share the following information with students.

- Taxes are an amount of money that people have to pay to the government to fund its activities at the federal, state, and local levels.
- In return for paying taxes, people enjoy government benefits, such as police and fire protection, parks, community programs, libraries, roads, bridges, and more.
- There are many kinds of taxes and a very complicated system to figure out how much taxes each person owes to the government each year. It is so complicated that there are people whose job it is to understand the tax system and help people figure out how much they must pay!
- People probably argue about taxes and government spending more than any other political issue.
- Taxes are an example of how citizens do things to benefit their community more than themselves – also known as the common good.
- Since New Hampshire does not collect a state income tax from its citizens (one of only nine states to not have an income tax),



business taxes and property taxes make up the majority of town and state budgets.

- One of the taxes businesses in New Hampshire pay is a Business Profit Tax (BPT), which is based on the net annual income of the business. This money is partially used for the General Fund that pays for public services and government operations in the state.

Guided Practice **Funding a budget.** Break students into groups of 4-6 and distribute one set of business cards for each group. Tell students that their business card has information about their work, the average profit after expenses, and information about how many days the business operates per year.

Each student should review their card and calculate the total weekly and yearly profit for their business – this is what they make before any taxes are taken out. Tell them to leave the profit after paying BPT line blank.

Next, tell students each group will need to decide how to fund a portion of the General Fund for New Hampshire. This pool of money is used to pay for general government expenses and makes up the bulk of the state budget each year.

They could:

- Tax everyone the same amount regardless of profit
- Tax everyone the same percentage of their total profit
- Tax people who make more at a higher fixed rate/percentage than those who make less
- Or some other hybrid system that they agree is fair

Students should spend some time developing their tax system using the included worksheet and figuring out how to raise enough money to fund the budget. They should then calculate their business's profit after the tax is deducted. Finally, have students share with each other what tax system they chose and why they think it is a fair system.

Extension

A unique structure. New Hampshire is one of nine states that does not have a state income tax. This means that citizens are not taxed a portion of their income at the state level, although federal income tax is still collected annually. The money to run our state and local governments comes from business taxes (as in the Guided Practice activity) as well as property taxes – taxes that are paid by people who own property in the state based on the value of that property. Ask students if they think New Hampshire should have an income tax for individuals. Then, distribute the excerpts from the NHPR article “Why is New Hampshire SO Against Having an Income Tax?” Have students work in groups to decide if they think NH should have an income tax system or not and back up their decision with three pieces of evidence from the article. If you have time, host a class debate on the issue!



Supporting Materials

Other Resources

- NHPR, "You Asked, We Answered: Why is New Hampshire SO Against Having an Income Tax?" <https://www.nhpr.org/nh-news/2018-02-09/you-asked-we-answered-why-is-new-hampshire-so-against-having-an-income-tax>

Standards

New Hampshire Social Studies Frameworks:

- ✓ Civics and Governments: Structure and Function of United States and New Hampshire Government (SS:CV:8:2.2)
- ✓ Civics and Governments: Rights and Responsibilities (SS:CV:8:4.1)
- ✓ Economics: Financial Institutions and the Government (SS:EC:8:4.2)

NCSS Themes:

- ✓ Theme 5: Individuals, Groups, and Institutions
- ✓ Theme 6: Power, Authority, and Governance
- ✓ Theme 10: Civic Ideals and Practices

C3 Frameworks:

- ✓ Civic and Political Institutions (D2.Civ.2.6-8)
- ✓ Change, Continuity, and Context (D2.His.3.6-8)

Common Core ELA:

- ✓ Key Ideas and Details (RH.6-8.1, RH.6-8.2, RH.6-8.3)
- ✓ Craft and Structure (RH.6-8.4)
- ✓ Integration of Knowledge (RH.6-8.9)

Common Core Math:

- ✓ Expressions and Equations (Math.Content.7.EE.b.3,

Lesson Vocabulary

budget	(noun) An estimate for how much money will be spent and made in a set amount of time
checks and balances	(noun) The idea where separate parts of the government are given powers to stop each other's actions and are made to share power
citizen	(noun) A member by law of a nation or group
common good	(noun) A phrase in the preamble of the Constitution; what is best for the community
community	(noun) A group of people living together or having something particular in common
compromise	(verb) The process of coming to a solution that works for everyone
federal	(adjective) The central government of a group of states; the U.S. federal government is in Washington, D.C.
society	(noun) What comes when people live together in a community
tax	(noun) An amount of money, added to the regular cost of an item, that goes to the government