

***Taxation With Representation – The Politics of Economics**

Teacher’s Guide

Introduction

This activity requires students to answer a set of tax policy questions and then to craft a simple tax structure for households and corporations, as well as to grapple with many of the tax issues of the day. It’s designed to be very flexible, allowing you to do the activity in a way that works for you. For example, you can have students write out their ideas for a tax structure either as brainstorming or as proposal for a tax bill. Then you can conduct a class discussion on these ideas. Or you can turn your class into Congress, where students elect party leaders, serve on committees and politic to get their bills passed. The key idea for Congress is that your students must compromise and produce **ONE and only one** tax bill that gets majority support. For added fun you can be the President and sign or veto the bill. Congress can be done as follows:

1. Students are divided into Democrats and Republicans. They draft tax bills. The bills are discussed in committee and then by the full House or Senate.
2. Two classes can work together—one acting as the Senate and the other as the House of Representatives.
3. Use your own ideas.

This guide provides instructions for using the above methods and if you want, allows you to follow quite closely the way Congress actually operates.

Time Required

The simulation takes about four or five 50-minute blocks. You can do the activity every day or intersperse it with your lectures and quizzes. (I do a unit on the U. S. tax system at the same time.) The simulation works especially well when integrated with news of what the U.S. Congress is actually doing.

Purpose

To focus on tax policy legislation and how politics influences what gets passed. You can limit the simulation to discussing the tax structure in the U. S. (the downloadable “Tax Bill Format” provides ideas and a format for writing a tax bill) or you can expand it to include regional differences, parliamentary procedure and writing bills on other economic issues such as: Welfare, unemployment, “corporate welfare,” healthcare, Social Security, Medicare, drug benefits, overtime compensation, minimum wage, “living wage,” free trade, protectionism

Objectives

- Help students understand how politics shapes what economics legislation is passed.
- Promote discussion, interest and understanding of tax policy issues.
- Give students hands-on experience in how Congress makes laws.

National and California Standards Addressed

California and National Economics and Civics Standards are in the Appendix (Tab V).

** Excerpted and abbreviated*