

CHAPTER 16 - KEY FACTS REVIEW

Q1: What is “pro-active tax planning?”

- a) Trying to predict future tax rates.
- b) Looking at ways to reduce your tax burden in the future.
- c) Looking to new methods and planning that can make a difference.
- d) Understanding your tax history to help shape your tax future.
- e) All of the above.

Q2: In what years have federal taxes typically gone up?

- a) Presidential election years.
- b) The years AFTER Presidential elections.
- c) When the economy is booming.
- d) During war time.

Q3: How does the Federal government typically deal with increased cost of operation?

- a) Spend less and reduce their cost of operation.
- b) Spend less and try to reduce the deficit.
- c) Spend more but only charge the “big guys.”
- d) Spend more and tax more.

Q4: What do the very wealthy know that most people DON'T know?

- a) How to buy things cheaper on the wholesale market.
- b) How to live frugally and spend less.
- c) How to live well but live better as well.
- d) How to live well but send less of their money to the IRS every year.

ANSWERS: e, d, d, d.

If you want to discuss your Social Security and Medicare choices, please call us at **1-800-279-1261** and one of our volunteers will be glad to help at no cost to you whatsoever.