

Name \_\_\_\_\_

# Taxes

This investigation looks at various tax rates and how much taxes increase the cost of an item. You can find some of the information from local newspapers, your library, or safe internet sites. First, list your city on the chart below and find what percentage your city charges on purchased items.



<b>My City</b>	<b>My City's Tax Rate</b>

Next, using the tax rate above, calculate how much the following items would cost. For each cost listed, determine the amount you would pay in taxes and the total amount of your purchase all together, including taxes.

<b>Total cost of goods</b>	<b>Taxes charged</b>	<b>Total cost of purchase (including taxes)</b>
\$25.00		
\$50.00		
\$75.00		
\$100.00		
\$500.00		

How does your city's sales tax rate compare to other nearby cities? Use the above site to compare at least three other local cities.

<b>City</b>	<b>Sales Tax Rate</b>	<b>Compare to your city (higher/lower/same as)</b>

Name \_\_\_\_\_

How does Illinois' sales tax rate compare to other states?

State	Sales Tax Rate	Compare to your state (higher/lower/same as)

Would you rather shop in a city with a higher or lower sale tax rate? Why? Make sure you think about the services taxes provide in your answer as well.