

Chapter 15 Mastery Test B

Part A Circle the letter of the answer that correctly completes each sentence.

1. Supply-side economics favors _____.
A taxes
B government involvement
C laissez-faire
D high government spending
2. The Department of Commerce was created to encourage the growth of _____.
A regulatory commissions
B the bureaucracy
C Congress
D business
3. The United States Postal Service is an example of a(n) _____.
A government corporation
B Cabinet department
C regulatory commission
D executive agency
4. A sales tax is an example of a(n) _____ tax.
A proportional
B regressive
C sin
D estate
5. The U.S. Supreme Court is part of the _____ branch of government.
A judicial
B legislative
C executive
D bureaucratic

Part B Match the words in Column 1 with their meanings in Column 2.

Write the letter on the line.

Column 1

Column 2

- | | |
|--------------------------------|---|
| _____ 6. income tax | a. program that provides medical care for the elderly |
| _____ 7. Medicare | b. a group of advisors to the president |
| _____ 8. adjustment | c. a tax placed on harmful goods |
| _____ 9. Cabinet | d. government's use of spending and taxes to create a strong economy |
| _____ 10. fiscal policy | e. a part of income that is not taxed |
| _____ 11. customs tax | f. a tax people pay on the money they earn |
| _____ 12. sin tax | g. a tax placed on goods imported from another country |