

▶ Unit 1

# Overview of Taxes

## Lesson Plan





## 1.0 Learning Outcome

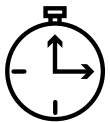
To examine the purpose of taxation and understand how government income raised through the taxation system is used to fund government expenditure.



## 2.0 Learning Intentions

At the end of this lesson, I will be able to:

1. Explain the term taxation and outline the purpose of a tax system
2. Understand the reasons for paying taxes
3. Outline the types of taxes collected by the Revenue Commissioners from individuals and businesses
4. Identify the main areas of government income (revenue) and expenditure



## 3.0 Duration

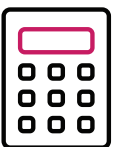
2 x 1hr classes



## 4.0 Links

### Literacy Links

Taxation, Government revenue and expenditure, Capital Acquisitions Tax (CAT), Capital Gains Tax (CGT), Carbon Tax, Corporation Tax, Customs Duty, Deposit Interest Retention Tax (DIRT), Excise Duty, Local Property Tax (LPT), Stamp Duty, Value Added Tax (VAT), Vehicle Registration Tax (VRT)



### Numeracy Links

Dates, Addition, Subtraction, Allocation of government expenditure



### Cross-Curricular Links

Computer Science, Economics, Geography, History, Maths, Politics and Society



### TY Skills

Being personally effective, Communicating, Critical and creative thinking, Information processing, Working with others



## 5.0 Resources

The resources required for this lesson are:

1.	Whiteboard, projector, PC / laptop with an internet connection
2.	Lesson Plan
3.	PowerPoint Presentation
4.	Student Activity Worksheet 1
5.	Student Activity Worksheet 2 & Solutions
6.	Quiz Worksheet & Solutions
7.	Kahoot! Quiz Upload Spreadsheet & Solutions
8.	Student Learning Journal

## 6.0 Lesson Introduction

The **teacher** briefly **outlines the learning intentions** on **PowerPoint slide 3** to show students the topics to be covered during the lesson. A copy of **Unit 1: Student Activity Worksheets 1 and 2** are **distributed** to all students.

### 6.1 Taxation Definition

#### Activity 1

The **teacher** introduces the **concept of taxation** and asks students to use **Think-Pair-Share** to **record** their definition of taxation on **Unit 1: Student Activity Worksheet 1, Activity 1**.

**Student suggestions** could include the following:

• Scaled according to the ability of a person / business to pay	• An amount of money paid to the government
• Benefits everybody	• A mandatory contribution
• Requested by public authorities only	• An amount charged on employee income and / or business profits
• An amount added to the cost of goods and services	• Used to pay for public goods and services

The student generated definitions are **recorded** by the teacher on **PowerPoint slide 4**. The teacher and students then work together to **co-create a definition of taxation** and this is **recorded** on **PowerPoint slide 5**.

## 6.2 Purpose of Taxation

### Activity 2

If students have access to the **internet**, they could **research** the **purpose of taxation individually /in pairs**. Alternatively, students could **work in pairs / groups** to come up reasons for the **purpose of taxation**. These reasons can be **recorded** by the **students** on **Unit 1: Student Activity Worksheet 1, Activity 2** and on the whiteboard by the **teacher** on **PowerPoint slide 6**.

**Student suggestions** could include:

- To fund government services, e.g. education, health, and transport
- To redistribute wealth, e.g. provision of Jobseeker's benefit and pensions
- To reduce negative behaviour, e.g. Excise Duty, Carbon Tax

## 6.3 Principles of Taxation

The **teacher explains** the **principles of taxation systems** based on the writings of Adam Smith shown on **PowerPoint slides 7-9**.

## 6.4 Tax Collection

Teacher led **discussion** asking students about what **organisation collects taxes** on behalf of the Irish government. Teacher shows the **PowerPoint slides 11-14** providing information on the Revenue Commissioners history, mission statement and current strategy.

## 7.0 Government Income & Expenditure

### 7.1 Government Income

#### Activity 3

The teacher could use an **online polling website**, e.g. [www.sli.do](http://www.sli.do), [www.menti.com](http://www.menti.com) to create a question asking **students** to **suggest sources of Irish government income**. If device/internet access is not available, **students** could **work in pairs/groups** to **record** their suggestions on **Unit 1: Student Activity Worksheet 1, Activity 3**.

**Student suggestions** can be **recorded** on **PowerPoint slide 15** and could include:

- |   |
|---|
| • Taxation: Income tax, USC, PRSI, VAT, CGT, CAT, Excise Duty, Customs Duty, LPT, Carbon tax, DIRT, VRT |
| • Loans   |
| • Privatisation   |
| • Dividends from state-owned companies  |

In order to **clarify common taxes** for students, the teacher then shows a brief **definition of twelve common taxes** in Ireland on **PowerPoint slides 16-18**. The teacher then shows students the **pie chart** from the CSO website containing details of **actual government income** on **PowerPoint slide 19**.

## 7.2 Government Expenditure

### Activity 4

The teacher could use an **online polling website**, e.g. [www.sli.do](http://www.sli.do), [www.menti.com](http://www.menti.com) to ask students for **suggestions of government expenditure**. If device/internet access is not available, students could work together to **record** their suggestions on **Unit 1: Student Activity Worksheet 1, Activity 4**.

**Student suggestions** may include:

- |  |
|--|
| • Construction of hospitals, schools, and roads                    |
| • Wages and salaries of public sector employees and civil servants |
| • Equipment for the army, gardaí and hospitals                     |

The **teacher** can **record** these suggestions on **PowerPoint slide 20** and can work with the students to **group** these **suggestions into common headings**, e.g. health, education, agriculture.



## Activity 5

Students are then shown the **actual** figure for **Government Expenditure** in **2023** on **PowerPoint Slide 21**. **Working in pairs/groups** students rank the areas of expenditure in order of importance from least to most important. They should provide a **reason for their ranking** decisions. Once this has been completed, students decide how they would **allocate** this amount of **money** across the following eight categories of spending:

1.	Social Protection	5.	Agriculture
2.	Health	6.	Debt Servicing & EU Payments
3.	Education	7.	Transport
4.	Justice	8.	Other – Government Departments Expenditure

Students can **record** their allocation on **Unit 1: Student Activity Worksheet 1, Activity 5**.

The teacher then **shows the breakdown of actual Government expenditure** for 2023 on **PowerPoint slide 22**. A **link on the slide** directs teachers to the appropriate section of [www.wheremoneygoes.gov.ie](http://www.wheremoneygoes.gov.ie). The teacher can **drill down into individual expenditure** categories to show detailed information regarding departmental spending.

Teacher can facilitate a **student discussion** using the questions on **PowerPoint slides 23-24**, which include:

- Why did you allocate money in this way?
- Were there any disagreements over where to allocate funding? How did you resolve these disagreements and reach a decision?
- Did the Government allocations match or differ from your allocations? Were there any areas of expenditure that surprised you?
- What public services would you be prepared to give up if you could pay less tax? What impact may arise from reducing taxes?

## 8.0 Research Activity

Students complete **Unit 1: Student Activity Worksheet 2** to discover further information about taxation in Ireland. **Answers** can be displayed using **Unit 1: Student Activity Worksheet 2 Solutions** or as a whole class activity **answered by students**.

## 9.0 Word Cloud

### Activity 6

As a **revision exercise**, students could **explain (orally / written)** each of the **key terms** that appear in the **Word Cloud** on **Activity 6, PowerPoint slide 25**.

## 10.0 Introduction to Taxation Quiz

The teacher can **upload Unit 1: Introduction to Taxation Excel spreadsheet** to their own **Kahoot!** account [instructions can be found [here](#)] and **students can complete the online quiz**. If internet / device access is unavailable, a **worksheet version of the quiz** could be distributed to students for completion and **correct in class**.

## 11.0 Learners' Journal

Teacher distributes **learning journal template** and **students complete** the learning journal associated with this lesson.