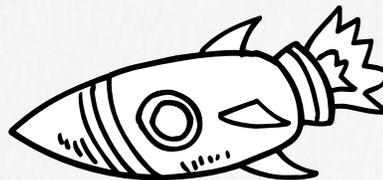


BOOK 2 Final Assessment Quiz



1. Educational attainment is directly linked to lifetime earnings and unemployment, but has costs of its own.
 True False
2. Choosing a career is a decision that should be based exclusively on financial return on investment.
 True False
3. Subsidized loans like federal student loans cost more in the long run than unsubsidized private loans.
 True False
4. In addition to completing a Free Application for Federal Student Aid, or FAFSA, college-bound students should look for private grants and scholarships to help pay for their education.
 True False
5. Deductions from a worker's paycheck may include income taxes, payroll taxes for Social Security and Medicare, contributions toward retirement savings, and health, dental, and life insurance.
 True False
6. When you accept a new job, it is important to evaluate the entire benefits package, including base pay, additional compensation like tips and commissions, paid time off, and employer contributions toward insurance and retirement.
 True False
7. A tax deduction is an amount of money that is subtracted from your final tax liability, after credits are subtracted and the tax rate is applied.
 True False
8. When you file your taxes at the end of the year, anything you've paid above what you owe is returned to you as a tax refund.
 True False
9. Social Security and Medicare are funded through a payroll tax that totals 7.65% of your income; Social Security tax is only applied up to an annual max earnings (\$128,400 in 2018).
 True False
10. It is important to start saving early for retirement because compound interest will help you to accumulate enough money to live comfortably in retirement without creating a financial burden during your working years.
 True False

