

## Urban Planning - Class Period 04

Class Goal: Students understand **taxes** as they are the basis for the economy in SimCity

My 8th graders have studied US History so they have some background in taxes - the Stamp Act and whatnot. Here is a quick refresher about the history of taxes in the US:

[http://apps.irs.gov/app/understandingTaxes/whys/thm02/les01/media/ss\\_thm02.pdf](http://apps.irs.gov/app/understandingTaxes/whys/thm02/les01/media/ss_thm02.pdf)

The IRS website has lots of lessons about taxes.

<http://apps.irs.gov/app/understandingTaxes/teacher/downloads.jsp>

You could spend a whole semester teaching this curriculum! But what we care about in SimCity are these two things:

1. how the government makes money from taxes so it has money to spend on “civics” (roads, education, etc.), and
2. how taxes influence behavior (i.e. when the government raises taxes on dirty industry, that industry moves out of the city. When they lower taxes on wealthy people, those people move into the city.)

SimCity does not have that many different tax categories. Sims can pay 9%, 10%, 11%, etc. tax. There are no smaller increments. If you want something to leave, push the taxes all the way up. Otherwise, 10% is fair.

I teach two lessons from the IRS website:

1. Federal/State/Local taxes
2. How taxes influence behavior

I like the fact that there is some simple math in these lessons.

You can download the “lesson packets” from the IRS website above.