<https://www.bbc.co.uk/news/business-52663523>

Above is an article about the potential for increased Taxes after the Covid-19 pandemic.

**Make sure you read it.**

This is very much an “Economics” article, and although a lot of people may know what tax is, they may not know how the tax system works or why we must pay it.

Below I would like you to do some research and define the following terms – and when I say define…

**I do not mean copy and paste the first definition you see in a Google search, the whole idea of a definition is that after you have read it, you understand the term… If you do not understand the term, do some more research!**

|  |  |
| --- | --- |
| **Progressive Taxation** |  |
| **Budget (Fiscal) Deficit** |  |
| **Government Bonds (Gilts)** |  |
| **Austerity** |  |
| **National Debt** |  |

Once you understand those terms please below explain how an increase in taxes might affect our daily lives and ALSO what may happen if they Government did not increase taxes.

**Help – useful links…**

[**https://www.youtube.com/watch?v=lG68XBZzB4w**](https://www.youtube.com/watch?v=lG68XBZzB4w)

[**https://www.youtube.com/watch?v=eXYmkJuj8yU**](https://www.youtube.com/watch?v=eXYmkJuj8yU)