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| **Creating Financial Plans for Long-Term Goals** | | | |
| Describes the difference between gross income and net income  Gross income is the amount of money earned before any deductions.  Net income is the amount after deductions. | Identifies and describes how taxes are related to both income and expenses  A person pays income tax, which is deducted from their gross income.  A person pays sales tax on many things they buy. | Understands the use of a financial plan to reach a long-term financial goal  I wrote a financial plan to identify what I needed to do, to save money to buy a new pair of skates, which was my financial goal. | Explains some items in a financial  plan  I needed to save $150 to buy skates.  My allowance is $10 a week, so if it didn’t spend any of it, I could save for my skates in about 4 months.  I got a job delivering newspapers that paid me $15 a week, so I saved all that money for 10 weeks, and was able to spend my allowance on other things. |
| **Observations/Documentation** | | | |
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