

EASY FINANCIAL EDUCATION FOR ADULTS

FOUNDATIONS

Taxes Don't Hate You: They Built Your School

The most-complained-about adult thing — explained without the rage.

LESSON 4 • STUDY GUIDE

Making financial education easy.

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STANDARDS ALIGNMENT

All codes are real and current. Verify against your district's adopted standards before use.

CCSS Math + ELA

Code	Description
CCSS.MATH.CONTENT.6.RP.A.3	Use ratio and rate reasoning to solve real-world percent problems — directly applies to
CCSS.MATH.CONTENT.7.RP.A.3	Use proportional relationships to solve multistep ratio and percent problems.
CCSS.MATH.CONTENT.7.EE.B.3	Solve multi-step real-life problems with positive and negative rational numbers.
CCSS.ELA-LITERACY.RH.6-8.7	Integrate visual information with text — applied to tax-table reading.

Jump\$tart National Standards (2025 edition)

Strand : Standard
Employment and Income: Standard 4 — Describe how taxes affect take-home pay.
Employment and Income: Standard 5 — Describe factors affecting take-home pay such as taxes and deductions.
Financial Decision Making: Standard 1 — Recognize the responsibilities associated with personal financial decisions.
Spending and Saving: Standard 4 — Apply consumer skills to spending and saving decisions.

LESSON OBJECTIVE + ESSENTIAL QUESTION

Objective:

Students will (1) compute the federal tax owed on a sample \$50,000 income using the 2026 brackets, (2) explain marginal vs. effective rate in plain language, and (3) read a sample paystub and identify five line items.

Essential question:

*Every adult around you complains about THIS one thing — but almost none of them can explain it.
Want to be the rare kid who can?*

Vocabulary you must front-load:

Tax, Bracket, Marginal rate, Take-home pay, Withholding, Deduction, Refund, FICA

5E LESSON PLAN

Phase	Teacher move	Time
ENGAGE	Show a real paystub (anonymized). Ask: 'They earned \$1,000 — but only \$762 landed. Where did the missing \$238 go?	5 minutes
EXPLORE	Each student computes the federal tax on \$50,000 single-filer using the 2026 brackets (10/12/22). Then they compute the 2026 standard deduction.	10 minutes
EXPLAIN	Anchor the difference between marginal and effective rate. Walk through FICA + standard deduction. Demystify withholding.	10 minutes
ELABORATE	Pairs read a sample paystub line by line and label each deduction. Calculate take-home from gross.	15 minutes
EVALUATE	Exit ticket: explain in 3 sentences why a 22 percent bracket does NOT mean 22 percent of total pay is lost to tax.	10 minutes

PERFORMANCE TASK

Each student writes a 1-page letter to a younger sibling explaining (a) what a tax bracket is, (b) why their first paycheck will be smaller than they expect, and (c) one thing taxes pay for that they personally use. Submit letter and read aloud (or recorded) for 60 seconds.

RUBRIC (4-LEVEL)

Criterion	1 - Emerging	2 - Approaching	3 - Proficient	4 - Mastery
Concept accuracy	Major errors in vocabulary/math.	Minor errors; concept partial.	Concept and math correct.	Correct AND extends concept to a new context.
Reasoning quality	Reasoning absent.	One-sentence reasoning, weak.	Clear reasoning per claim.	Reasoning anticipates a counter-claim.
Communication	Unclear; missing details.	Some details missing.	Clear and complete.	Clear, complete, and persuasive.
Personal connection	No connection drawn.	Generic connection.	Specific personal connection.	Specific connection PLUS proposed action.

EXIT TICKET + EXTENSION

Exit ticket (5 minutes):

Exit ticket: explain in 3 sentences why a 22 percent bracket does NOT mean 22 percent of total pay is lost to tax.

Gifted extension:

Compute total federal+state+FICA effective rate for an 18-year-old earning \$30,000 in your home state. Compare to the same income in two other states. Defend a 1-minute talk on which state to start a career in based on tax friction alone.

EQUITY + TRAUMA-INFORMED DELIVERY

Money is not a neutral topic. Some students in your room may have lived eviction, food insecurity, lost a parent's job, or absorbed shame from family money struggles. The Pillars curriculum is built so that the language is hopeful and the activities are choice-rich. Below are deliberate equity moves you can make.

Move	How
Anonymize	Never reference a specific student's family income, account balance, or known financial event
Choice-rich	All performance tasks accept multiple expression modes (oral, written, recorded, sketched). H
No-shame language	Replace 'rich/poor' with 'income brackets' or 'income levels.' Replace 'mistake' with 'choice tha
Fictional protagonists	All worked examples use fictional characters and fictional dollar amounts. Keep it that way.
Family-shape neutrality	Family-chat prompts work for single-parent, multigenerational, foster, blended, and non-traditi
Free options	When you cite the master pass, also offer the free 2-minute video-only option. The hook is fre
Cultural variation	Save / spend / give weights vary across cultures. Honor variation rather than enforcing one ra
Confidentiality	Self-check pages and reflection journals are private. Do not require students to share answers

FIRST-YEAR MONEY-SKILLS CHECKPOINT (running tally)

If you teach all 6 Pillars episodes across a semester, this checkpoint maps which skill anchors at which episode. Use it as a grade-period tracker.

Episode	By the end, the student can...
EP01 - 5 Jars	Can allocate \$100 across 5 jars with reasoning.
EP02 - Risk vs Reward	Can sort 5 risks into chase / pay-away with rationale.
EP03 - Hourglass	Can compute Rule of 72 and explain compound vs simple interest.
EP04 - Taxes	Can read a paystub and identify 5 line items; can explain marginal vs effective rate.
EP05 - Make-Sell-Stand	Can compute cost / price / margin for a real product and pitch it for 30 seconds.
EP06 - Quest Map	Can name all 5 tracts and defend a personal first-path choice.

NCAA / transcript note: Delivered as a year-long financial-literacy elective, this 6-episode Pillars series plus 1 deep-dive tract (12 episodes) easily exceeds the 60-instructional-hour bar for a 1-credit course. The Transcript Kit (inside the master pass) provides ready-to-paste course descriptions, syllabus, and standards alignment for high-school transcripts.

COMMON STUDENT MISCONCEPTIONS — AND HOW TO ADDRESS THEM

Each line is a real wrong-belief students bring to this lesson. The right column is what to say first.

Student misconception	Teacher response
If I'm in a 22% bracket, 22% of all my money is gone.	No. Brackets are slices. Your effective rate is much lower.
A refund means I won.	A refund means you over-paid. You loaned the government money interest-free.
Tax money disappears.	Roads. Schools. Police. Public health. Defense. Tax money is the floor under the th

5-DAY PACING VARIANT (FOR A WEEK-LONG UNIT)

If you have a full week, expand the single-block plan into a 5-day arc. Each day is one block.

Day	Plan
Day 1 - HOOK	Watch the 2-minute Pillars video. Run the Engage + Explore phases of the 5E plan. Front-load v
Day 2 - EXPLORE	Run the Explore + Explain phases. Anchor the math or framework on the board. Begin guided pra
Day 3 - APPLY	Run the Elaborate phase. Pair work on the performance task. Formative check-in.
Day 4 - CRITIQUE	Peer-critique the performance task drafts using the rubric. Revise.
Day 5 - DEFEND	Final 60-90-second oral defense + exit ticket + family-connection take-home.

SAMPLE STUDENT EXEMPLAR (Mastery-level response)

Use the box below as a model when norming with grade-level peers. Cover the response and ask students to draft first.

Exemplar topic: Bracket explainer to a younger sibling

Imagine income as a stack of pancakes. The first 11,925 pancakes are taxed at 10%. The next batch up to 48,475 is taxed at 12%. Above that 22%. The top bracket is only on the top pancakes. That is why a 22% bracket worker still keeps most of their pay. Plus the standard deduction skips the bottom 15,000 pancakes entirely.

DIFFERENTIATION + INCLUSION

IEP / 504 modifications:

- Provide a pre-printed bracket-table calculator template for students with executive-function needs.
- Allow oral or recorded explanations of the marginal-vs-effective concept.
- Use color-coded bracket bands for visual processing supports.
- Permit extended time on the paystub-decoding activity.

ELL / multilingual learner supports:

- Pre-teach 'tax', 'bracket', 'deduction', 'withholding' with bilingual sentence-frame practice.
- Provide the paystub sample with key terms translated alongside English.
- Allow the letter to be drafted in the home language and translated with peer support.
- Pair with a stronger English speaker for the bracket-math activity.

Gifted extension:

Compute total federal+state+FICA effective rate for an 18-year-old earning \$30,000 in your home state. Compare to the same income in two other states. Defend a 1-minute talk on which state to start a career in based on tax friction alone.

ASSESSMENT ITEM BANK (15 questions)

Use these to build summative assessments, exit tickets, or formative checks. Mix item types.

Type	Item
MC	If your top bracket is 22%, what % of your TOTAL income is paid in federal tax? (a) 22% (b) less than 22% (c) more than 22% (d) none of the above
MC	FICA funds... (a) lottery (b) Social Security and Medicare (c) Defense (d) Refunds
MC	A refund means... (a) free money (b) you over-paid during the year (c) you missed a payment (d) bonus
SA	Explain marginal vs effective rate in 2 sentences.
SA	Where do most state and local tax dollars go?
SA	What is the standard deduction and why does it matter?
CR	Compute federal tax owed on \$50,000 single-filer in 2026. Show the bracket math.
CR	Decode an anonymized paystub. List 5 line items in plain language.
CR	Write a letter to a younger sibling explaining their first paycheck.
PA	Compare effective tax rate at \$30k vs \$60k vs \$120k. Build a chart.
PA	Research the top 3 tax-funded services in your municipality. Defend their value.
PA	Build a paystub-to-take-home calculator on paper or in a spreadsheet.
MC	Withholding is... (a) tax pulled before you see your paycheck (b) bonus (c) interest (d) a deduction
SA	Why is treating a refund as 'free money' a mental error?
CR	Argue: should the standard deduction be larger? Defend with data.

EXTENSION LESSON IDEAS (3 follow-up blocks)

If your students caught fire, here are three follow-up blocks. Each is a self-contained 50-minute lesson.

Block	Concept	Quick activity
Block 1	State and local tax variations	Compare effective rate across 3 states for a \$50k earner.
Block 2	Tax-advantaged accounts	Walk through 401(k), IRA, Roth IRA, HSA. Build a decision matrix.
Block 3	Civic value of taxes	Map a local tax dollar from collection to service. Field-trip option.

RESEARCH BASIS + FURTHER READING

The EFEA curriculum draws on multiple lines of established research and standards. Below are anchor sources that informed this episode and that you can cite in your own lesson documentation.

- Jump\$tart Coalition for Personal Financial Literacy — National Standards in K-12 Personal Finance Education (current edition).
- Council for Economic Education — National Standards for Financial Literacy.
- Common Core State Standards — Math + ELA codes referenced explicitly above.
- OECD/INFE — 2020 International Survey of Adult Financial Literacy (background on adult knowledge gaps).
- Holden, Karen and Kalish, Charles — 'The Importance of Money in Children's Lives' (developmental psychology of money concepts).
- Federal Reserve Bank of St. Louis — Page One Economics: classroom-ready economic education briefs.
- Annamaria Lusardi — research on the lifetime cost of financial-illiteracy errors.
- EVERFI / Next Gen Personal Finance — implementation evidence from K-12 districts.

FAMILY CONNECTION TAKE-HOME

Send the Kids Adventure Workbook home with the family-chat page paper-clipped to the front. Encourage students to do at least one family-chat prompt at the dinner table and bring back a one-line reflection. Inclusivity note: the prompts are intentionally written so they work for any household configuration — single-parent, multigenerational, foster, blended, and non-traditional family structures.

Family-chat prompts:

- What is one thing in our town that taxes paid for that we used today?
- If we earned \$5,000 more next year, how much would actually land in our account after federal, state, and FICA?
- What is one tax word we used to think meant something it doesn't?

TEACHER GLOSSARY

Word	Plain meaning
Tax	Money that goes from individuals or businesses to the government to fund shared services.
Bracket	A range of income taxed at a specific percentage. The percentage applies only to dollars in that range.
Marginal rate	The percentage on your NEXT dollar earned, not on all your dollars.
Take-home pay	What lands in your account after taxes are taken out.
Withholding	Tax already pulled from each paycheck before you see it.
Deduction	An amount you subtract from income before tax is calculated.
Refund	Money returned to you when you overpaid your taxes during the year.
FICA	The 7.65 percent that funds Social Security and Medicare from your paycheck.

SAMPLE HOMEWORK ASSIGNMENT + GRADING GUIDE

Cut, paste, send. Adjust the point values to match your gradebook.

Assignment (due next class):

After watching the PILLARS_EP04 video and finishing the workbook, complete the following:

1. Reflection paragraph (5 points): In 100-150 words, explain in your own words what you learned. Use at least 3 vocabulary words from the glossary.
2. Performance task (10 points): Complete the Performance Task described in the lesson plan. Bring your 1-page artifact AND be prepared to defend it in 60 seconds.
3. Family chat (5 points): Pick ONE family-chat prompt. Have the conversation at home. Bring back ONE sentence summarizing what you learned from your family member.
4. Self-check (no points — for your own benefit): Tick the self-check boxes in the workbook honestly.

Grading rubric (20 points total):

Criterion	Mastery (5)	Proficient (4)	Approaching (2-3)	Emerging (1)
Vocabulary use	3+ used correctly	2-3 used correctly	1 used; some confusion	Vocabulary missing or wrong
Reasoning	Clear, persuasive	Clear, complete	Partial reasoning	Reasoning absent
Personal connection	Specific + actionable	Specific connection	Generic connection	No connection
Family conversation	Reflective summary	Summary present	Brief / vague	Missing

STANDARDS CROSSWALK — DETAILED MATRIX

Expanded view of which lesson activity hits which standard. Use to defend the lesson in your district.

Activity	CCSS / Jump\$tart	How
Engage hook (video)	CCSS.MATH.CONTENT.6.RP.A.3	Direct connection between visual and quantitative reasoning.
Explore (manipulatives)	CCSS.MATH.CONTENT.7.RP.A.3	Apply ratio / proportional reasoning to a real allocation problem
Explain (anchor)	CCSS.MATH.CONTENT.7.EE.B.3	Front-load vocabulary; connect to abstract math.
Elaborate (pair work)	Employment and Income: Standard 4 — Describe income/affordability standards	Apply concepts/affordability standards via collaboration.
Evaluate (exit ticket)	Employment and Income: Standard 5 — Describe state of offering of hourly pay, such as	Describe state of offering of hourly pay, such as
Performance task	Financial Decision Making: Standard 1 — Recognize the responsibilities associated with personal	Recognize the responsibilities associated with personal

IMPLEMENTATION TIPS FROM THE FIELD

Field-tested tactics from teachers who have run this lesson with K-12 cohorts. Adapt to your context.

Topic	Tactic
Pacing	The 2-minute video is a hook, not a substitute for instruction. Aim for the video at minute 0-3 and age
Tone	Resist the urge to lecture. The mentor in the video does NOT lecture. Mirror that energy.
Vocabulary	Front-load 4-6 vocabulary words on the board before the video. Children's recall doubles.
Manipulatives	Physical tokens or paper jars or a real hourglass turn an abstract concept into a concrete memory. U
Scaffolding	For mixed-grade rooms, run the Squire prompts as openers and the Champion prompts as exit ticket
Family connection	Send the workbook home and ASK families to send back one line. The reply rate is the leading indic
Equity	Use anonymized examples (no real names, no real account balances). Money trauma is real and a k
Assessment	Mix item types from the bank — multiple choice for confidence, short answer for reasoning, performa

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Stated assumptions, not forecasts.

Any growth rates, returns, prices, or dollar figures used in examples are clearly labeled stated assumptions chosen to make the math easy to follow. They are not forecasts, projections, or promises of any result. Historical figures, tax thresholds, and contribution limits change - always confirm current numbers with official sources such as irs.gov before acting.

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