



Episode 1 – On Biden’s Proposed Corporate Tax Rate Increase

This document provides resources for educators looking for ways to incorporate current events into their curriculum. Each podcast episode is approximately 20 minutes long and available on all major podcast outlets for free. This document provides multiple choice and true/false questions to test for high-level comprehension of podcast topics as well as opportunities for either short-answer/essay-style questions or discussion questions to delve further into topics. Email taxnerds@gmail.com for an answer key.

In this episode, we discuss President Biden’s proposal to increase the corporate tax rate. We focus on three things. First, changing the corporate tax law so soon after the sweeping corporate tax law changes enacted under President Trump could create significant uncertainty for corporate taxpayers. Second, the plan is large from an economic perspective, aiming to raise at least \$1 trillion, yes trillion, with a “T” of new corporate tax revenue over the next 15 years. Third, as taxes become an increasingly politicized issue, the plan faces strong opposition from many republicans, which could threaten Biden’s goal of passing bipartisan legislation.

Multiple Choice and T/F Questions

1. What is the name of President Biden’s tax plan that proposes changes to the corporate tax rate?
 - a. American Families Tax Plan
 - b. Made in America Tax Plan
 - c. Tax Cuts and Jobs Act
 - d. American Jobs Tax Plan
2. What is the **current** corporate tax rate?
 - a. 21%
 - b. 25%
 - c. 28%
 - d. 35%
3. What corporate tax rate President Biden is proposing?
 - a. 21%
 - b. 25%
 - c. 28%
 - d. 35%

4. What were total corporate tax collections last year?
 - a. \$212B (around 5:18)
 - b. \$500B
 - c. \$1T
 - d. \$2.8T
5. What is primary reason President Biden wants to increase corporate taxes?
 - a. To fund healthcare (Medicare for All)
 - b. To fund universal preschool
 - c. To fund spending on infrastructure and related investments
 - d. To fund defense against cyberattacks
6. Which of the following is not a guiding principle of President Biden's tax plan discussed during the podcast?
 - a. Funding critical investments
 - b. Building a fair tax system
 - c. Penalizing corporate "tax dodgers"
 - d. Building a resilient economy
7. What was the only country with a higher corporate tax rate than the U.S. prior to the implementation of President Trump's tax plan in 2017?
 - a. Canada
 - b. Mexico
 - c. France
 - d. Japan
8. How much estimated revenue will the rate increase that President Biden is proposing generate?
 - a. \$212B
 - b. \$500B
 - c. \$850B
 - d. \$1T
9. Which two reasons does the podcast offer for Republican resistance to raising the corporate tax rates?
 - a. Lower rates help keep the U.S. competitive
 - b. Lower tax rates might not comply with global tax treaties
 - c. Frequent tax rate changes increase uncertainty for corporate executives
 - d. Lower tax rates fulfill the party's focus on "small government"
10. True or False, according to the Brookings's Institute study mentioned during the podcast, President Trump's tax rate cut paid for itself through increased investment.

- a. True
 - b. False
11. True or False, according to research by Nick Bloom discussed during the podcast, regulatory uncertainty can hurt investment.
- a. True
 - b. False

Short answer/essay or Discussion Question Ideas

1. In your own words, summarize the pros and cons of raising the corporate tax rate discussed in the podcast.
2. Briefly explain, in your own words, how uncertainty about tax policy can affect corporate investment decisions.
3. List the two primary ways to fund government spending. With some additional research, list one pro and one con of each.

Data Analytics/Visualization

Using data from the [Congressional Budget Office](#), create an infographic to summarize the sources of federal tax revenues in 2020.