Synopsis:
This video compares how five people at different income levels live, spend, and plan financially. From housing and transportation to food and healthcare, it explores how income shapes choices, stress, and opportunity. It encourages viewers to think critically about how income affects quality of life and long-term financial planning.
Movie Website

Key Terms:

- **Net Pay** – Total earnings after payroll taxes and other deductions have been taken out; also called take-home pay
- **Cost of Living** – The amount of money needed to sustain a certain level of living, including basic expenses such as housing, food, taxes, and healthcare; often used when comparing how expensive it is to live in one city versus another
- **Capital Gains Tax** – A tax levied on profit from the sale of property or an investment
- **Disposable Income** – Money left over after paying for essentials like rent and food
- **Wealth Inequality** – The unequal distribution of money and assets among people or groups in society

$25,000 vs $25,000,000	Discussion Questions

Name: **Period:**

While You Watch:

1. **What percentage of pre-tax income do people earning $25K–$40K typically spend on housing?**

2. **What are three major categories of spending that people with low income must budget for carefully?**

3. **Around what income level do people typically begin to have money left over to save, invest, or plan beyond monthly bills?**

4. **How is investment income taxed compared to regular earned income, and why is this significant?**

5. **What share of U.S. income does the top 1% earn today compared to the 1970s?**

Discussion Questions:

6. **Why is it harder for lower-income earners to build wealth, even if they work full time?**

7. **How does access to affordable housing and transportation impact someone's financial stability?**

8. **The video says investment income is taxed at a lower rate than wages. Do you think this is fair? Why or why not?**

9. **How do small differences in income (e.g., $25K vs. $40K) change someone's financial choices and stress levels?**

10. **If you had extra income left over after expenses, what would you prioritize first: saving, investing, paying down debt, or something else? Why?**