

Assessment Solutions

Theme 2: Taxes in U.S. History
Lesson 4: The Social Security Act of 1935

Part 1

Read the questions below. Determine if the statements are True or False and write your answer in the space provided.

1. In 1935, the Social Security Act was designed to support retired workers. **True**
2. Workers voluntarily pay payroll taxes in order to support Social Security. **False**
3. Withholding is the amount your employer deducts from your paycheck. **True**
4. FICA is a tax that funds Social Security. **True**
5. “Pay-as-you-earn” means that you pay what you wish into Social Security. **False**

Part 2

Match the clues with their correct terms. Write the letters of the correct terms on the lines provided.

- A. Mandatory
- B. Deducted
- C. Federal Insurance Contribution Act
- D. Pay-as-you-go
- E. Retired

- E** The first beneficiaries of the Social Security Act
- C** What FICA stands for
- A** If a payroll tax is compulsory, then it is ____.
- B** Money that is withheld from your paycheck is ____.
- D** Another way to describe how payroll taxes are collected

Part 3

Match the clues with their correct terms. Write the letters of the correct terms on the lines provided.

- A.** Withholding
- B.** Social Security
- C.** Frances Perkins
- D.** New Deal
- E.** FICA

- B** The program that provides income to retired and disabled workers and the unemployed
- D** President Roosevelt's program for providing work to unemployed people
- C** The first woman Cabinet member and designer of Social Security
- E** The compulsory payroll tax that funds Social Security
- A** The term for money that employers hold back from employees' paychecks