

▶ Unit 2

How Taxes are Made

Lesson Plan





1.0 Learning Outcome

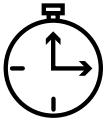
To understand how taxes are introduced into Irish law and what stakeholders influence their formation.



2.0 Learning Intentions

At the end of this lesson, I will be able to:

1. Explain the difference between a Pigouvian tax and a Sin tax
2. Categorise taxes as either Pigouvian or Sin taxes
3. Distinguish between direct and indirect taxes
4. Describe how taxes are introduced into Irish law
5. Identify the stakeholders that influence and shape Irish tax law



3.0 Duration

2 x 1hr classes



4.0 Links

Literacy Links

Sin tax, Pigouvian tax, Sugar Sweetened Drinks tax (SSDT), Alcohol tax, Tobacco products tax, Mineral oils tax, Betting tax, Plastic Bag Levy, Oireachtas, Dáil Éireann, Seanad Éireann, Taoiseach, Tánaiste, Stakeholders, Stages of a Bill



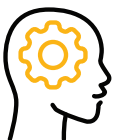
Numeracy Links

Tax rates, Dates



Cross-Curricular Links

Business, Computer Science, Economics, Legal Studies, Politics and Society



TY Skills

Being personally effective, Communicating, Critical and creative thinking, Information processing, Working with others



5.0 Resources

The resources required for this lesson are:

1.	Whiteboard, projector, PC / laptop with an internet connection
2.	Lesson Plan
3.	PowerPoint Presentation
4.	Student Activity Worksheet 1
5.	Student Activity Worksheet 2 & Solutions
6.	Student Learning Journal

6.0 Lesson Introduction

The teacher briefly outlines the learning intentions on **PowerPoint slide 2** to highlight the topics to be covered during the lesson. A copy of **Unit 2: Student Activity Worksheets 1 and 2** are distributed to all students.

6.1 Retrieval Practice

Activity 1

Teacher displays **PowerPoint slide 3** showing a **retrieval practice activity** for the students to complete individually. This activity is completed on **Unit 2: Student Activity Worksheet 1, Activity 1**, which is then corrected as a whole class exercise.

Solutions

1	2	3	4	5
False	True	False	True	False

7.0 Sin Taxes and Pigouvian Taxes

7.1 Sin Taxes

Teacher explains the concept of **Sin taxes** and the reason for their use in a tax system on **PowerPoint slide 5**.

Activity 2

Divide the class into **four groups** comprising of **2-4 students**. Assign **one topic / all topics** to **each group** from the following list: alcohol, mineral oils, tobacco products and betting. Students discuss how each of these **activities can be harmful to society** and record their suggestions on **Unit 2: Student Activity Worksheet 1, Activity 2**.

Student suggestions could include the following:

Groups	Topic 1	Topic 2	Topic 3
Alcohol	Heavy use may result in illnesses which increase costs for the Department of Health	Incidents involving alcohol and crimes can result in increased costs for the Department of Justice	Heavy use can reduce work performance and lead to less productivity in the workplace
Tobacco	Heavy use may result in illnesses which increase costs for the Department of Health	Litter waste from tobacco products make areas unsightly and lead to increased cleaning costs for local authorities	Negative impact of passive smoking on family members and the public
Mineral oils	Creates harmful emissions, e.g. CO ₂ , NO ₂ , which can contribute to global warming	The extraction, processing and transportation of mineral oils can lead to damage and loss of habitat for plant and wild	Oil and gas leaks can be dangerous for employees in the industry
Betting	People may become addicted to gambling and this may increase costs for the Department of Health	Heavy betting can reduce work performance and lead to less productivity in the workplace	Gambling addictions can cause financial difficulties and lead to breakdown of personal relationships

Students provide teacher with **feedback** on the assigned topic, and this is **recorded** by the teacher on the **whiteboard**, using the template from **PowerPoint slide 6**.

The teacher shows students **examples of Sin taxes** in Ireland on **PowerPoint slide 7 and 8** and explains how the **revenue collected** from these taxes is **used for general government expenditure**, e.g. health and education.

7.2 Pigouvian Taxes

The **teacher** explains the **concept of Pigouvian taxes** on **PowerPoint slide 8** and outlines how the **revenue collected** from these taxes is used to **fund specific projects**, shown on **PowerPoint slide 9**. The teacher can explain the introduction of the **Plastic Bag levy** on **PowerPoint slide 10** as an example of a Pigouvian tax.

7.3 Identify the Sin and Pigouvian Taxes

Activity 3

Students view **PowerPoint slide 11** and identify which taxes are **Sin taxes** or **Pigouvian taxes**. Answers can be recorded on **Student Activity Worksheet 1, Activity 3**.



Extension Task

7.3.1 Circular Economy Bill [Coffee Cup Levy]

Activity 4

The Circular Economy Bill was introduced in March 2022 and plans to introduce a levy on disposable coffee cups. **Students** should **examine** the **infographic** on **PowerPoint slide 12**. They should then **choose one of the stakeholders** on **PowerPoint slide 13** and **write a short paragraph** about **why they agree or disagree** with the introduction of the **levy**. Writing space for this paragraph can be found on **Student Activity Worksheet 1, Activity 4**

8.0 Irish Government

Using the prompt questions on **PowerPoint slide 14**, the teacher asks students to recall their knowledge of the **Irish government**. On **PowerPoint slides 15-20**, the teacher provides an explanation of the formation and function of both **Dáil Éireann** and **Seanad Éireann**. A short explanation is also provided on **PowerPoint slide 21** about how taxes are introduced into **legislation in Ireland**.

9.0 Stakeholders that Influence Tax Laws in Ireland

The **teacher** outlines the **groups that influence tax laws in Ireland** on **PowerPoint slide 22**. **Students** can be **asked** about their understanding of the **stakeholders** shown, e.g. Department of Finance and the European Union. In addition, the teacher **could highlight** a number of **stakeholders** that the students may not recognise in order to **provide further information**, e.g. **interest groups** such as Ibec, ICTU, IFA and CIF. A closer examination could be undertaken of the **public consultation for a referendum on housing** in Ireland or of **tax publications** from the **OECD**.

10.0 Stages of a Bill

The **teacher** outlines the **process** that is used to **make laws** in Ireland and explains the **stages** needed for a **Bill** (draft of proposed legislation) to become a law on **PowerPoint slides 23-26**. The teacher **emphasises** that in order to introduce **new taxes** or **amend existing tax**, **Bills** must be submitted and passed through both **Houses of the Oireachtas** before they are sent to the **President of Ireland** to be **signed into law**.

A **PowToon animation** on the **stages of a Bill** can be shown to students which is linked on **PowerPoint slide 26**.

Activity 6

Students record the **stages of a Bill** in the correct order on **Student Worksheet 1, Activity 6** and can be corrected as a whole class exercise using **PowerPoint slide 27**.

10.1 Vacant Housing Tax Debate

Activity 7

Students are divided into groups to prepare a **debate** on the motion 'All vacant properties in Ireland should be taxed'. The students are assigned to groups to argue in favour or against the motion. Students can record their arguments and supporting facts on the template provided on **Student Activity Worksheet 1, Activity 7**.

10.2 Take a Stand

Activity 8

As a **revision activity**, teacher places two signs at opposite sides of the classroom [Take a Stand Activity PPT], one sign with the phrase 'Strongly Agree' and the other sign stating, 'Strongly Disagree'. Students line up in the classroom and as the teacher calls out each statement, they should move to the side of the room that best fits their opinion on the statement. Students can be asked to justify their position in the classroom based on the statement.

11.0 Revision Activity

Individually students complete **Student Activity Worksheet 2** to revise the content covered in Unit 2.

12.0 Learners' Journal

Teacher distributes **learning journal template** and **students complete** the learning journal associated with this lesson.