

Personal Finance Essentials

Finance · Answer Key · 8 Questions

1. What is the term for money that a person or business earns, usually from working or investments?

- A) Debt
- B) Income**
- C) Expense
- D) Tax

2. What is a bank account that is designed to hold money for future use rather than for daily spending?

- A) Savings account**
- B) Credit card
- C) Mortgage
- D) Loan

3. Which of these is a mandatory payment made by individuals and businesses to the government to fund public services?

- A) Interest
- B) Profit
- C) Tax**
- D) Dividend

4. What is the term for the amount of money a person owes to another party?

- A) Asset
- B) Budget
- C) Debt**
- D) Revenue

5. What is a plastic card that allows you to borrow money from a bank up to a certain limit to make purchases?

- A) Debit card
- B) Credit card**
- C) Gift card
- D) Membership card

6. What does 'interest' represent in a banking context?

- A) A fee paid for borrowing money or a return earned on savings**
- B) The total amount of tax owed
- C) The cost of printing paper money
- D) A discount on store items

7. What is a 'budget' primarily used for?

- A) Investing in the stock market
- B) Tracking income and expenses to manage money**
- C) Borrowing money from a bank
- D) Paying off a home loan

8. What is the primary currency used in the United States?

- A) Euro
- B) Yen
- C) Dollar**
- D) Pound