**AP United States Government Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Chapter 14 Study Guide – The Congress, the President, and the Budget**

**Vocabulary:** On index cards, define the following terms.

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| --- | --- | --- |
| 1. Budget
2. Deficit
3. Expenditures
4. Revenues
5. Income tax
6. Sixteenth Amendment
7. Federal debt
8. Tax expenditures
9. Social Security Act
 | 1. Medicare
2. Incrementalism
3. Uncontrollable expenditures
4. Entitlements
5. House Ways and Means Committee
6. Senate Finance Committee
7. Congressional Budget and Impoundment Control Act of 1974
 | 1. Congressional Budget Office
2. Budget resolution
3. Reconciliation
4. Authorization bill
5. Appropriations bill
6. Continuing resolutions
 |

**Questions:** Complete the following as you read chapter 14 in your textbook.

1. List four sources of federal revenues.
2. How does the federal government borrow money?
3. What is a capital budget?
4. Give three examples of tax expenditures.
5. What were the three major reforms of the Tax Reform Act of 1986?
6. Name the two conditions associated with government growth in America.
7. What is meant by the phrase “military industrial complex”?
8. Explain how Social Security is a kind of intergenerational contract.
9. List four features of incremental budgeting.
10. Explain how entitlements are “uncontrollable expenditures”.
11. How might each of the following political actors have a stake in the federal budget?

Mayors:

Defense contractors:

Scientists:

Bureaucratic agencies:

Members of Congress:

Presidents:

Farmers:

1. List the ten major actors in the budgetary process.
2. Explain the three main provisions of the Congressional Budget and Impoundment Control Act of 1974.
3. Explain the two ways in which laws are changed to meet the budget resolution.
4. What was the Gramm-Rudman-Hollings Act, and why did it fail?
5. List three possible explanations for the substantial growth of government in twentieth-century democracies.
6. How could the budgetary process limit government?