

2017

Finance & Investment Challenge Bowl



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**Finance & Investment
Challenge Bowl
Set 2**

A ***sole proprietor***, who regularly met clients in his home office, was allowed to deduct part of the costs of landscaping his property, on the grounds that it was a part of the home being used for business.

Answer: True

M-A-D, S-A-D, B-A-D and G-L-A-D are all actual stock ticker symbols.

Answer: False

Deductions reduce the amount of income that is taxed.

Answer: True

Define *direct deposit*.

Answer: The electronic deposit of wage earnings directly from an employer's financial institution to an employee's bank account.

M-O-O, W-O-O-F, B-A-A and R-O-R-E are all actual exchange ticker symbols.

Answer: True

MOO = Market Vectors Agribusiness ETF

WOOF = VCA, Inc.

BAA = Banro Corp.

RORE = Lattice Real Estate Strategy ETF

Net income can be calculated by subtracting expenses from revenue.

Answer: True

End Round 1

It's the "increase" of consumer prices which results in a "decrease" in the buying power of your money and credit.

- A. Stagflation
- B. Recession
- C. Inflation

It produces hundreds of hours of original programming around the world. Its first series? House of Cards.

Answer: Netflix

The image shows the Netflix logo, which consists of the word "NETFLIX" in a white, bold, sans-serif font with a black outline, centered on a solid red rectangular background. The logo is presented with a slight drop shadow effect.

NETFLIX

It's a tax paid on an expensive good or service considered by the government to be nonessential.

- A. Non-essentials Tax
- B. Duty
- C. Luxury Tax

They are self-employed and perform a variety of services for others, from tax preparation to painting.

- A. Independent contractors
- B. Investment contractors
- C. Incidental contractors

What is an *Annual Report*?

- A. a report public corporations are required to file annually, disclosing their financial information
- B. a speech a CEO gives every January
- C. a report that a broker prepares annually for individual clients

What do you get when you subtract expenses from income and have a number less than zero?

- A. A budget surplus
- B. A budget deficit
- C. A balanced budget

It's the federal agency that collects income taxes in the United States.

Answer: Internal Revenue Service (IRS)

It's a person who represents the concerns or special interests of a particular group or organization in meetings with lawmakers. They work to persuade lawmakers to change laws in the group's favor.

- A. Legislator
- B. Accountant
- C. Lobbyist

It's a common term for a tax on goods such as tobacco and alcohol.

- A. Over 21 tax
- B. Bad habit tax
- C. Sin tax

Saying an income tax is “*progressive*” means:

- A. it gets progressively larger as income declines
- B. it takes the same bite out of everyone’s income
- C. it takes a larger percentage of larger incomes and a smaller percentage of smaller ones
- D. it only needs to be paid by democrats and union members

End Round 2

How can you figure the number of years it will take an investment to double?

- A. Count the number of years the money has already been invested
- B. Multiply the interest rate by 72
- C. Divide 72 by the interest rate

It refers to the interest or dividends received from a security and is usually expressed annually as a percentage.

- A. Yield
- B. Capital gain
- C. Profit

Yield differences are often quoted in ***basis points***. A basis point equals one one-hundredth (.01) of a percentage point. If the yield difference is five percent, how many basis points does this equal?

- A. Five
- B. Fifty
- C. Five-hundred

This highly successful author & motivational speaker can claim most of his fame from penning the highly successful *Rich Dad, Poor Dad*.

Answer: Robert Kiyosaki



It's the profit on a sale of stock.

- A. Capital gain
- B. Dollar cost averaging
- C. Future value

They are Apple's and Microsoft's "personal assistants" that helps you get things done just by asking, allowing you to use your voice to send messages, schedule meetings, locate restaurants, etc.

Answer: SIRI & Cortana

What is a tax audit?

Answer: When an individual or business is approached by the Internal Revenue Service seeking clarification on a filed tax return.

If a business wants to know what amount of money it is owed by its customers it can best determine this by reviewing its:

- A. Accounts expendable
- B. Accounts payable
- C. Accounts receivable

As you pay off the mortgage on your home, you are building _____.

- A. Stock
- B. Equity
- C. Capital



It's an employee of a brokerage or fund management house who studies companies and makes buy-and-sell recommendations on their stocks.

- A. Comptroller
- B. Fiduciary
- C. Analyst

He earned \$80+ million in 2015, tops among Hollywood's male actors.

- A. Robert Downey, Jr.
- B. Johnny Depp
- C. Vin Diesel



She earned \$52+ million in 2015, tops among Hollywood's female actors.

- A. Julia Roberts
- B. Melissa McCarthy
- C. Jennifer Lawrence



Also called the statement of financial condition, it is a summary of assets, liabilities, and owners' equity.

- A. Balance sheet
- B. Prospectus
- C. Annual report

It's the state of being unable to pay one's debt.

Answer: Bankrupt, bankruptcy

End Round 3