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Level 6 – 13th May, 2020

Saudi Arabia to triple VAT to support economy

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<https://breakingnewsenglish.com/2005/200513-vat.html>

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Please try Levels 4 and 5 (they are easier).

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THE ARTICLE

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to triple the rate of the value added tax (VAT) it imposes on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was introduced in Saudi Arabia for the first time in 2018. Government authorities say this drastic measure is necessary to curb the effects of the coronavirus pandemic on the economy. The cut is also part of wider austerity measures to help the economy. Finances of the oil-rich nation have been badly hit as the pandemic has seen oil prices and demand for oil plummet. Analysts are reporting that oil revenues this year have fallen by almost a quarter when compared to the same period last year.

Another measure the finance ministry has taken in a bid to shore up the economy is the suspension of a cost of living allowance. This is a payment of about \$256 per month to state employees. It was introduced to help offset rising prices and more expensive petrol at the pump. Saudi's Finance Minister said: "These measures are painful but necessary to maintain financial and economic stability over the medium to long term...and to overcome the unprecedented coronavirus crisis with the least damage possible." A Gulf expert said: "The move will impact consumption and could also lower the expected revenues. These are pro-austerity and pro-revenue moves rather than pro-growth ones."

Sources: <https://finance.yahoo.com/news/saudi-arabia-raise-vat-threefold-030733064.html>
<https://www.bbc.com/news/business-52612785>
<https://www.msn.com/en-us/news/world/saudi-triples-vat-suspends-handouts-in-virus-led-austerity-drive/ar-BB13SVjm>

WARM-UPS

1. VALUE ADDED TAX: Students walk around the class and talk to other students about VAT. Change partners often and share your findings.

2. CHAT: In pairs / groups, talk about these topics or words from the article. What will the article say about them? What can you say about these words and your life?

triple / tax / goods / services / authorities / drastic measure / pandemic / oil / demand
finance ministry / economy / cost of living / rising prices / stability / expert / austerity

Have a chat about the topics you liked. Change topics and partners frequently.

3. CORPORATIONS: Students A **strongly** believe only corporations should pay tax and not individuals; Students B **strongly** believe the opposite. Change partners again and talk about your conversations.

4. TAXABLE: Should these things be taxed? Why (not)? Complete this table with your partner(s). Change partners often and share what you wrote.

	Should They Be Taxed?	Why? / Why Not?
Salary		
Investments		
House sale		
Chocolate		
Company profit		
Inheritance		

5. OIL: Spend one minute writing down all of the different words you associate with the word "oil". Share your words with your partner(s) and talk about them. Together, put the words into different categories.

6. TAX: Rank these with your partner. Put the worst at the top. Change partners often and share your rankings.

- tax on income
- tax on petrol
- tax on books
- tax on luxury goods
- tax on company profits
- tax on inheritance
- tax on water
- tax on investments

VOCABULARY MATCHING

Paragraph 1

- | | |
|----------------|--|
| 1. rate | a. Decrease rapidly in value or amount. |
| 2. imposes | b. A fixed price paid or charged for something, especially goods or services. |
| 3. authorities | c. A plan or course of action taken to achieve a particular purpose. |
| 4. drastic | d. Forces something unwelcome or unfamiliar to be accepted or put in place. |
| 5. measure | e. Likely to have a strong or far-reaching effect; radical and extreme. |
| 6. austerity | f. The power or right to give orders, make decisions, and enforce obedience. |
| 7. plummet | g. Difficult economic conditions created by government measures to reduce a budget deficit, especially by reducing public expenditure. |

Paragraph 2

- | | |
|-------------------|---|
| 8. bid | h. An attempt or effort to achieve something. |
| 9. shore up | i. An action that initiates or advances a process or plan. |
| 10. suspension | j. Support or hold up something that is in danger of becoming worse. |
| 11. offset | k. The using up of a resource. |
| 12. unprecedented | l. The temporary prevention of something from continuing or being in force or effect. |
| 13. consumption | m. Act against something by having an opposing force or effect. |
| 14. move | n. Never done or known before. |

BEFORE READING / LISTENING

From <https://breakingnewsenglish.com/2005/200513-vat.html>

1. TRUE / FALSE: Read the headline. Guess if a-h below are true (T) or false (F).

- a. VAT in Saudi Arabia is set to increase three-fold. **T / F**
- b. The value added tax in Saudi Arabia will go up on June the 1st. **T / F**
- c. Saudi Arabia first introduced VAT in 2018. **T / F**
- d. Saudi Arabia's oil revenues have fallen by a half in the pandemic. **T / F**
- e. The Finance Ministry has abolished a cost of living allowance. **T / F**
- f. Saudi's Foreign Minister acknowledged the measures were painful. **T / F**
- g. The Foreign Minister said the measures were for the short-term. **T / F**
- h. An expert on the Gulf said the measures will raise revenues. **T / F**

2. SYNONYM MATCH:

Match the following synonyms. The words in **bold** are from the news article.

- | | |
|-------------------------|-------------------|
| 1. imposes | a. attempt |
| 2. introduced | b. actions |
| 3. drastic | c. income |
| 4. measures | d. extreme |
| 5. plummet | e. affect |
| 6. bid | f. applies |
| 7. offset | g. unheard of |
| 8. unprecedented | h. nosedive |
| 9. impact | i. established |
| 10. revenue | j. counterbalance |

3. PHRASE MATCH: (Sometimes more than one choice is possible.)

- | | |
|---|--------------------------|
| 1. the value added tax (VAT) it imposes | a. austerity measures |
| 2. this drastic measure is necessary | b. pro-revenue moves |
| 3. The cut is also part of wider | c. period last year |
| 4. Analysts are reporting that oil revenues | d. ministry has taken |
| 5. when compared to the same | e. up the economy |
| 6. Another measure the finance | f. on goods and services |
| 7. in a bid to shore | g. to long term |
| 8. It was introduced to help offset | h. this year have fallen |
| 9. over the medium | i. rising prices |
| 10. These are pro-austerity and | j. to curb the effects |

GAP FILL

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to (1) _____ the rate of the value added tax (VAT) it (2) _____ on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was introduced in Saudi Arabia for the first time in 2018. Government authorities say this (3) _____ measure is necessary to (4) _____ the effects of the coronavirus pandemic on the economy. The cut is also part of wider (5) _____ measures to help the economy. Finances of the oil-rich nation have been badly (6) _____ as the pandemic has seen oil prices and demand for oil (7) _____. Analysts are reporting that oil revenues this year have fallen by almost a quarter when (8) _____ to the same period last year.

drastic
austerity
plummet
imposes
curb
compared
triple
hit

Another measure the finance ministry has taken in a (9) _____ to shore up the economy is the (10) _____ of a cost of living allowance. This is a payment of about \$256 per month to state employees. It was introduced to help (11) _____ rising prices and more expensive petrol at the pump. Saudi's Finance Minister said: "These measures are painful but necessary to (12) _____ financial and economic stability over the medium to long term...and to overcome the (13) _____ coronavirus crisis with the least damage possible." A Gulf (14) _____ said: "The move will impact consumption and could also lower the (15) _____ revenues. These are pro-austerity and pro-revenue (16) _____ rather than pro-growth ones."

unprecedented
suspension
maintain
moves
bid
expected
offset
expert

LISTENING – Guess the answers. Listen to check.

From <https://breakingnewsenglish.com/2005/200513-vat.html>

- 1) Saudi Arabia is going to triple the rate of the value added tax (VAT) it _____
 - a. imposters on goods
 - b. composters on goods
 - c. in poses on goods
 - d. imposes on goods
- 2) Government authorities say this _____
 - a. drastically measure
 - b. caustic measure
 - c. grass stick measure
 - d. drastic measure
- 3) The cut is also part of wider _____
 - a. austerity measures
 - b. austere rated measures
 - c. awe sterility measures
 - d. or sterility measures
- 4) badly hit as the pandemic has seen oil prices and demand _____
 - a. foil plummet
 - b. four oil plummet
 - c. fore oil plummet
 - d. for oil plummet
- 5) fallen by almost a quarter when compared to the same _____
 - a. periodical last year
 - b. period last year
 - c. periodically last year
 - d. peer read last year
- 6) Another measure the finance ministry has taken in a bid to _____ economy
 - a. shorten up the
 - b. sure up the
 - c. shore up the
 - d. shorn up the
- 7) This is a payment of about \$256 per month _____
 - a. to slate employees
 - b. to staid employees
 - c. to state employees
 - d. to stave employees
- 8) introduced to help offset rising prices and more expensive petrol _____
 - a. at the pump
 - b. at the pimp
 - c. at the primp
 - d. at the bump
- 9) A Gulf expert said: "The move will _____"
 - a. impact resumption
 - b. impact consumption
 - c. respect consumption
 - d. impact assumption
- 10) These are pro-austerity and pro-revenue moves rather than _____
 - a. pro-roach ones
 - b. progress ones
 - c. pro-grown ones
 - d. pro-growth ones

LISTENING – Listen and fill in the gaps

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to (1) _____ of the value added tax (VAT) it imposes on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The (2) _____ in Saudi Arabia for the first time in 2018. Government authorities say (3) _____ is necessary to curb the effects of the coronavirus pandemic on the economy. The cut is also part (4) _____ measures to help the economy. Finances of the oil-rich nation have been badly hit as the pandemic has seen oil prices and demand (5) _____. Analysts are reporting that oil revenues this year have fallen by almost a quarter when compared to the (6) _____ year.

Another measure the finance ministry has taken in a (7) _____ up the economy is the suspension of a cost (8) _____. This is a payment of about \$256 per month to state employees. It was introduced to (9) _____ prices and more expensive petrol at the pump. Saudi's Finance Minister said: "These measures are painful but necessary to maintain financial and economic (10) _____ medium to long term...and to overcome the unprecedented coronavirus crisis with the least damage possible." A Gulf expert said: "The move (11) _____ and could also lower the expected revenues. These are pro-austerity and pro-revenue moves rather (12) _____."

COMPREHENSION QUESTIONS

From <https://breakingnewsenglish.com/2005/200513-vat.html>

1. By how many times will Saudi Arabia's value added tax increase?
2. When was value added tax introduced in Saudi Arabia?
3. What did the government say the tax was necessary to curb?
4. How have Saudi Arabia's finances been hit by the coronavirus pandemic?
5. By how much have oil revenues fallen since last year?
6. How much is Saudi Arabia's cost of living allowance?
7. What was the cost of living allowance introduced to offset?
8. Over what timeframe does Saudi want to maintain financial security?
9. Who said consumption would be impacted by the move?
10. What did an expert say the moves would not promote?

MULTIPLE CHOICE - QUIZ

From <https://breakingnewsenglish.com/2005/200513-vat.html>

- 1) By how many times will Saudi Arabia's value added tax increase?
 - a) two
 - b) three
 - c) four
 - d) five
- 2) When was value added tax introduced in Saudi Arabia?
 - a) 2016
 - b) 2012
 - c) 2017
 - d) 2018
- 3) What did the government say the tax was necessary to curb?
 - a) a fall in demand
 - b) rising oil prices
 - c) the effects of the coronavirus pandemic
 - d) inflation
- 4) How have Saudi Arabia's finances been hit by the coronavirus pandemic?
 - a) badly
 - b) slightly
 - c) not at all
 - d) catastrophically
- 5) By how much have oil revenues fallen since last year?
 - a) almost a half
 - b) almost a quarter
 - c) about a third
 - d) less than 10%
- 6) How much is Saudi Arabia's cost of living allowance?
 - a) about \$256 per month
 - b) over \$256 per month
 - c) exactly \$256 per month
 - d) just under \$256 per month
- 7) What was the cost of living allowance introduced to offset?
 - a) more expensive food
 - b) inflation and higher tax
 - c) rising prices and more expensive petrol
 - d) globalisation
- 8) Over what timeframe does Saudi want to maintain financial security?
 - a) the medium to long term
 - b) a few months
 - c) the rest of this year
 - d) the short term
- 9) Who said consumption would be impacted by the move?
 - a) a shopper
 - b) the prime minister
 - c) a tax expert
 - d) a Gulf expert
- 10) What did an expert say the moves would not promote?
 - a) discounts
 - b) harmony
 - c) growth
 - d) shopping

ROLE PLAY

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Role A – Income Tax

You think income tax is the worst tax. Tell the others three reasons why. Tell them why their tax isn't so bad. Also, tell the others which is the most important of these (and why): corporation tax, sales tax or inheritance tax.

Role B – Corporation Tax

You think corporation tax is the worst tax. Tell the others three reasons why. Tell them why their tax isn't so bad. Also, tell the others which is the most important of these (and why): income tax, sales tax or inheritance tax.

Role C – Sales Tax (VAT)

You think sales tax is the worst tax. Tell the others three reasons why. Tell them why their tax isn't so bad. Also, tell the others which is the most important of these (and why): corporation tax, income tax or inheritance tax.

Role D – Inheritance Tax

You think inheritance tax is the worst tax. Tell the others three reasons why. Tell them why their tax isn't so bad. Also, tell the others which is the most important of these (and why): corporation tax, sales tax or income tax.

AFTER READING / LISTENING

From <https://breakingnewsenglish.com/2005/200513-vat.html>

1. WORD SEARCH: Look in your dictionary / computer to find collocates, other meanings, information, synonyms ... for the words 'tax' and 'economy'.

tax	economy
------------	----------------

- Share your findings with your partners.
- Make questions using the words you found.
- Ask your partner / group your questions.

2. ARTICLE QUESTIONS: Look back at the article and write down some questions you would like to ask the class about the text.

- Share your questions with other classmates / groups.
- Ask your partner / group your questions.

3. GAP FILL: In pairs / groups, compare your answers to this exercise. Check your answers. Talk about the words from the activity. Were they new, interesting, worth learning...?

4. VOCABULARY: Circle any words you do not understand. In groups, pool unknown words and use dictionaries to find their meanings.

5. TEST EACH OTHER: Look at the words below. With your partner, try to recall how they were used in the text:

<ul style="list-style-type: none">• goods• 2018• necessary• cut• badly• period	<ul style="list-style-type: none">• bid• state• painful• least• lower• moves
---	---

TAX SURVEY

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Write five GOOD questions about tax in the table. Do this in pairs. Each student must write the questions on his / her own paper.

When you have finished, interview other students. Write down their answers.

	STUDENT 1 _____	STUDENT 2 _____	STUDENT 3 _____
Q.1.			
Q.2.			
Q.3.			
Q.4.			
Q.5.			

- Now return to your original partner and share and talk about what you found out. Change partners often.
- Make mini-presentations to other groups on your findings.

TAX DISCUSSION

STUDENT A's QUESTIONS (Do not show these to student B)

1. What did you think when you read the headline?
2. What images are in your mind when you hear the word 'tax'?
3. What do you think of VAT?
4. What do governments do with the VAT they collect?
5. What do you think of tax?
6. What is the worst tax?
7. How would a tripling of VAT affect your life?
8. Have there been austerity measures in your country?
9. Are plummeting oil prices a good or bad thing?
10. Should only companies pay tax?

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TAX DISCUSSION

STUDENT B's QUESTIONS (Do not show these to student A)

11. Did you like reading this article? Why/not?
12. What do you think of when you hear the word 'economy'?
13. What do you think about what you read?
14. How is your country's economy doing?
15. Should state employees have preferential tax treatment?
16. What painful things have happened to your finances?
17. What damage has the pandemic done to your country's economy?
18. What can governments do to encourage economic growth?
19. Who should pay the most tax?
20. What questions would you like to ask a tax expert?

DISCUSSION (Write your own questions)

STUDENT A's QUESTIONS (Do not show these to student B)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

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DISCUSSION (Write your own questions)

STUDENT B's QUESTIONS (Do not show these to student A)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

LANGUAGE - CLOZE

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to triple the (1) _____ of the value added tax (VAT) it imposes on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was (2) _____ in Saudi Arabia for the first time in 2018. Government authorities say this drastic measure is necessary to (3) _____ the effects of the coronavirus pandemic (4) _____ the economy. The cut is also part of wider austerity measures to help the economy. Finances of the oil-rich nation have been badly hit as the pandemic has (5) _____ oil prices and demand for oil plummet. Analysts are reporting that oil revenues this year have fallen by almost a quarter when (6) _____ to the same period last year.

Another measure the finance ministry has taken in a (7) _____ to shore up the economy is the suspension of a cost of living allowance. This is a payment of about \$256 per month to (8) _____ employees. It was introduced to help offset rising prices and more expensive petrol at the pump. Saudi's Finance Minister said: "These measures are painful but necessary (9) _____ maintain financial and economic stability over the medium to long term...and to overcome the unprecedented coronavirus crisis with the least damage possible." A Gulf (10) _____ said: "The move will impact consumption and could also lower the (11) _____ revenues. These are pro-austerity and pro-revenue moves rather than pro-growth (12) _____."

Put the correct words from the table below in the above article.

- | | | | | |
|-----|--------------|----------------|--------------|----------------|
| 1. | (a) numeral | (b) chart | (c) slice | (d) rate |
| 2. | (a) infused | (b) acquainted | (c) greeted | (d) introduced |
| 3. | (a) curve | (b) curb | (c) kerb | (d) cube |
| 4. | (a) at | (b) as | (c) on | (d) via |
| 5. | (a) seen | (b) vision | (c) peered | (d) squinted |
| 6. | (a) compared | (b) pared | (c) composed | (d) composted |
| 7. | (a) rid | (b) mid | (c) lid | (d) bid |
| 8. | (a) state | (b) tell | (c) say | (d) proclaim |
| 9. | (a) for | (b) to | (c) of | (d) by |
| 10. | (a) expert | (b) expat | (c) expected | (d) extant |
| 11. | (a) expert | (b) expat | (c) expected | (d) extant |
| 12. | (a) once | (b) ones | (c) once | (d) one's |

SPELLING

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Paragraph 1

1. tax it sispemo on goods and services
2. Government tuhiartseio
3. raticsd measure
4. wider tiesratuy measures
5. demand for oil elptmmu
6. oil svrnueee

Paragraph 2

7. Another measure the finance tnyiirms has taken
8. a cost of living lcolwnaea
9. financial and economic sbtilyti
10. the ecenrepddteun coronavirus crisis
11. The move will impact tconomusnip
12. could also lower the tepcdeex ...

PUT THE TEXT BACK TOGETHER

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Number these lines in the correct order.

- () services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was introduced
- () Minister said: "These measures are painful but necessary to maintain financial and economic stability over the medium
- () of a cost of living allowance. This is a payment of about \$256 per month to state employees. It was
- () revenues this year have fallen by almost a quarter when compared to the same period last year.
- () in Saudi Arabia for the first time in 2018. Government authorities say this drastic measure is necessary to
- () possible." A Gulf expert said: "The move will impact consumption and could also lower
- () to long term...and to overcome the unprecedented coronavirus crisis with the least damage
- () curb the effects of the coronavirus pandemic on the economy. The cut is also part of wider
- () Another measure the finance ministry has taken in a bid to shore up the economy is the suspension
- () the expected revenues. These are pro-austerity and pro-revenue moves rather than pro-growth ones."
- (**1**) Saudi Arabia is going to triple the rate of the value added tax (VAT) it imposes on goods and
- () hit as the pandemic has seen oil prices and demand for oil plummet. Analysts are reporting that oil
- () introduced to help offset rising prices and more expensive petrol at the pump. Saudi's Finance
- () austerity measures to help the economy. Finances of the oil-rich nation have been badly

PUT THE WORDS IN THE RIGHT ORDER

From <https://breakingnewsenglish.com/2005/200513-vat.html>

1. added of value rate tax . the Triple the
2. measure Government necessary . authorities is this drastic say
3. austerity the economy . Wider measures to help
4. oil-rich nation hit . badly has The been
5. year quarter . fell almost Revenues by this a
6. to up shore the economy . In bid a
7. month . This is \$256 payment of a per
8. economic financial maintain to and stability . Necessary
9. will consumption . expert the move impact said An
10. rather moves Pro-revenue than ones . pro-growth

CIRCLE THE CORRECT WORD (20 PAIRS)

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to triple the *rate / ratio* of the value added tax (VAT) it *imposes / composes* on goods and services. VAT will increase from 5 per cent to 15 per cent on the 1st of July. The tax was *greeted / introduced* in Saudi Arabia for the first time in 2018. Government authorities say this *drastically / drastic* measure is necessary to curb the effects of the coronavirus pandemic *on / at* the economy. The cut is also part of wider *posterity / austerity* measures to help the economy. Finances of the oil-rich nation have been badly *smacked / hit* as the pandemic has seen oil prices and demand for oil *plummet / summit*. Analysts are reporting that oil revenues this year have fallen by *most / almost* a quarter when compared to the same period *last / past* year.

Another measure the finance ministry has taken in a *bit / bid* to shore up the economy is the suspension of a cost of *lively / living* allowance. This is a *pay / payment* of about \$256 per month to state employees. It was introduced to help *offset / onset* rising prices and more expensive petrol at the *pimp / pump*. Saudi's Finance Minister said: "These measures are painful but necessary to maintain financial and economic *stable / stability* over the medium to long term...and to *overcome / overdo* the unprecedented coronavirus crisis with the least damage *possibly / possible*." A Gulf expert said: "The move will impact consumption and could also *low / lower* the expected revenues. These are pro-austerity and pro-revenue moves rather than pro-growth *once / ones*."

Talk about the connection between each pair of words in italics, and why the correct word is correct.

INSERT THE VOWELS (a, e, i, o, u)

From <https://breakingnewsenglish.com/2005/200513-vat.html>

S__ d_ A r_b__ _s g__ n g t_ t r_p l_ t h_ r_t_ _f t
h_ v_l__ _d d_d t_x (V A T) _t _m p_s_s _n g__ d
s _n d s_r v_c_s . V A T w_l l _n c r__ s_ f r_m 5
p_r c_n t t_ 15 p_r c_n t _n t h_ 1 s t _f J_l y .
T h_ t_x w_s _n t r_d_c_d _n S__ d_ A r_b__ f_r t
h_ f_r s t t_m _ _n 2 0 1 8 . G_v_r n m_n t __ t
h_r_t__ s s_y t h_s d r_s t_c m__ s_r_s n_c_s s_r
y t_ c_r b t h_ _f f_c t_s _f t h_ c_r_n_v_r_s p_n
d_m_c _n t h_ _c_n_m_y . T h_ c_t _s _l_s_ p_r t _f
w_d_r __ s t_r_t y m__ s_r_s t_ h_l p t h_ _c_n_m_y .
F_n_n c_s _f t h_ __ l - r_c h n_t__ n h_v_ b__ n
b_d l y h_t _s t h_ p_n d_m_c h_s s__ n __ l p
r_c_s _n d d_m_n d f_r __ l p_l_m_m_t . A n_l y s t s
r r_p_r t_n g t h_t __ l r_v_n__ s t h_s y__ r
h_v_ f_l l_n b y _l m_s t _ q__ r t_r w h_n c_m p_r_d
t_ t h_ s_m_ p_r__ d l_s t y__ r .

A n_t h_r m__ s_r_ t h_ f_n_n c_ m_n_s t_r y h_s
t_k_n _n _ b_d t_ s h_r_ p t h_ _c_n_m_y _s t h_
s_s p_n s__ n _f _ c_s t _f l_v_n g _l l_w_n c_ . T h_s
_s _ p_y m_n t _f _b__ t \$ 2 5 6 p_r m_n t h t_ s
t_t _m p_l_y__ s . I t w_s _n t r_d_c_d t_ h_l p _f f
s_t r_s_n g p_r_c_s _n d m_r_ _x p_n s_v_ p_t_r_l _t
t h_ p_m p . S__ d_'s F_n_n c_ M_n_s t_r s__ d : "
T h_s_ m__ s_r_s _r_ p__ n f_l b_t n_c_s s_r y t_
m__ n t__ n f_n_n c__ l _n d _c_n_m_c s t_b_l_t y _v_r
t h_ m_d__ m t_ l_n g t_r m . . . _n d t_ v_r c_m_ t
h_ _n p_r_c_d_n t_d c_r_n_v_r_s c_r_s_s w_t h t h_
l__ s t d_m_g_ p_s s_b_l_ . " A g_l f _x p_r t s__ d :
" T h_ m_v_ w_l l _m p_c t c_n s_m p t__ n _n d c__ l
d _l_s_ l_w_r t h_ _x p_c t_d r_v_n__ s . T h_s_ _r_ p
r_-__ s t_r_t y _n d p_r_- r_v_n__ m_v_s r_t h_r t
h_n p_r_- g_r_w t h _n_s . "

PUNCTUATE THE TEXT AND ADD CAPITALS

From <https://breakingnewsenglish.com/2005/200513-vat.html>

saudi arabia is going to triple the rate of the value added tax vat it imposes on goods and services vat will increase from 5 per cent to 15 per cent on the 1st of july the tax was introduced in saudi arabia for the first time in 2018 government authorities say this drastic measure is necessary to curb the effects of the coronavirus pandemic on the economy the cut is also part of wider austerity measures to help the economy finances of the oilrich nation have been badly hit as the pandemic has seen oil prices and demand for oil plummet analysts are reporting that oil revenues this year have fallen by almost a quarter when compared to the same period last year

another measure the finance ministry has taken in a bid to shore up the economy is the suspension of a cost of living allowance this is a payment of about 256 per month to state employees it was introduced to help offset rising prices and more expensive petrol at the pump saudis finance minister said these measures are painful but necessary to maintain financial and economic stability over the medium to long term and to overcome the unprecedented coronavirus crisis with the least damage possible a Gulf expert said the move will impact consumption and could also lower the expected revenues these are proausterity and prorevenue moves rather than progrowth ones

PUT A SLASH (/) WHERE THE SPACES ARE

From <https://breakingnewsenglish.com/2005/200513-vat.html>

Saudi Arabia is going to triple the rate of the value added tax (VAT) it imposes on goods and services. VAT will increase from 5 percent to 15 percent on the 1st of July. The tax was introduced in Saudi Arabia for the first time in 2018. Government authorities say this drastic measure is necessary to curb the effects of the coronavirus pandemic on the economy. The cut is also part of wider austerity measures to help the economy. Finances of the oil-rich nation have been badly hit as the pandemic has seen oil prices and demand for oil plummet. Analysts are reporting that oil revenues this year have fallen by almost a quarter when compared to the same period last year. Another measure the finance ministry has taken in a bid to shore up the economy is the suspension of a cost of living allowance. This is a payment of about \$256 per month to state employees. It was introduced to help offset rising prices and more expensive petrol at the pump. Saudi's Finance Ministers said: "These measures are painful but necessary to maintain financial and economic stability over the medium to long term... and to overcome the unprecedented coronavirus crisis with the least damage possible." A Gulf expert said: "The move will impact consumption and could also lower the expected revenues. These are pro-austerity and pro-revenue moves rather than pro-growth ones."

HOMework

1. VOCABULARY EXTENSION: Choose several of the words from the text. Use a dictionary or Google's search field (or another search engine) to build up more associations / collocations of each word.

2. INTERNET: Search the Internet and find out more about this news story. Share what you discover with your partner(s) in the next lesson.

3. TAX: Make a poster about tax. Show your work to your classmates in the next lesson. Did you all have similar things?

4. CORPORATE TAX: Write a magazine article about only companies having to pay tax. Include imaginary interviews with people who are for and against this.

Read what you wrote to your classmates in the next lesson. Write down any new words and expressions you hear from your partner(s).

5. WHAT HAPPENED NEXT? Write a newspaper article about the next stage in this news story. Read what you wrote to your classmates in the next lesson. Give each other feedback on your articles.

6. LETTER: Write a letter to an expert on tax. Ask him/her three questions about it. Give him/her three of your ideas on how to improve the taxation system. Read your letter to your partner(s) in your next lesson. Your partner(s) will answer your questions.

ANSWERS

VOCABULARY (p.4)

1. b 2. d 3. f 4. e 5. c 6. g 7. a
8. h 9. j 10. l 11. m 12. n 13. k 14. i

TRUE / FALSE (p.5)

- a T b F c T d F e F f F g F h F

SYNONYM MATCH (p.5)

1. f	2. i	3. d	4. b	5. h
6. a	7. j	8. g	9. e	10. c

COMPREHENSION QUESTIONS (p.9)

- Three
- 2018
- The effects of the coronavirus pandemic
- Badly
- Almost a quarter
- About \$256 per month
- Rising prices and more expensive petrol
- The medium to long term
- A Gulf expert
- Growth

WORDS IN THE RIGHT ORDER (p.20)

- Triple the rate of the value added tax.
- Government authorities say this drastic measure is necessary.
- Wider austerity measures to help the economy.
- The oil-rich nation has been badly hit.
- Revenues this year fell by almost a quarter.
- In a bid to shore up the economy.
- This is a payment of \$256 per month.
- Necessary to maintain financial and economic stability.
- An expert said the move will impact consumption.
- Pro-revenue moves rather than pro-growth ones.

MULTIPLE CHOICE - QUIZ (p.10)

1. b 2. d 3. c 4. a 5. b 6. a 7. c 8. a 9. d 10. c

ALL OTHER EXERCISES

Please check for yourself by looking at the Article on page 2.
(It's good for your English ;-)