

Sometimes the best practice to a problem is first being required to create the problem. The top part of the chart includes the categories necessary for creating a National Income Accounting problem, the bottom part is for working the solution. In order to get this correct, the numbers will have to work out using both the “building-up” method and the tearing “down-method”. You have space to create 3 problems. Good luck!

	1	2	3
Personal consumption expenditures			
Net foreign factor income earned			
Transfer payments			
Rents			
Consumption of fixed capital (depreciation)			
Social security contributions			
Interest			
Proprietors' income			
Net exports			
Dividends			
Compensation of employees			
Indirect business taxes			
Undistributed corporate profits			
Personal taxes			
Corporate income taxes			
Corporate profits			
Government purchases			
Net private domestic investment			
Personal saving			
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+/- personal consumption expenditures			
net private domestic investment			
depreciation			
exports			
imports			
government purchases			
GDP (Gross Domestic Product)			
depreciation			
NDP (Net Domestic Product)			
net foreign investment			
indirect business taxes			
NI (National Income)			
transfer payments			
social security contributions			
undistributed corporate profits			
corporate income tax			
PI (Personal Income)			
personal taxes			
DI (Disposable Income)			