HIGH SCHOOL

WYOMING PERSONAL FINANCE



FULL-LENGTH PRACTICE TESTS

400 Original Questions

with Step-by-Step Explanations and a Quick Review



Reza Nazari

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10 FULL-LENGTH WYOMING PERSONAL FINANCE PRACTICE TESTS

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Reference Sheet

Figures and formulas you may use on every test

You are not expected to memorize any of these. Every question that needs one of them can be answered with the figures below. Unless a question says otherwise, use 6.2% for Social Security and 1.45% for Medicare, assume no state or local income-tax withholding, and round money to the nearest cent.

Paychecks and taxes

- Social Security 6.2% of wages, up to $184,500 in 2026. Medicare 1.45% of all wages, no cap. The two together are 7.65%.
- Self-employment tax (simplified rule for this book): 15.3%, charged on 92.35% of net earnings. At high earnings the Social Security part stops at the wage base.
- Overtime for questions in this book: unless a question states otherwise, assume overtime is paid at 1.5 times the regular rate for hours over 40 in one workweek.
- Full-time year: $40 \times 52 = 2{,}080$ hours. Paychecks a year: weekly 52, biweekly 26, semimonthly 24, monthly 12.
- 2026 federal income tax, single filer: standard deduction $16,100; 10% to $12,400 of taxable income, 12% to $50,400, 22% to $105,700.

Saving, borrowing, and budgeting

- Deposit insurance: generally $250,000 per depositor, per insured institution, per ownership category.
- Compound interest $A = P(1 + r/n)^{nt}$. Rule of 72: years to double $\approx 72 \div$ rate.
- Loan payment $= P \times i \div (1 - (1 + i)^{-n})$, where i is the annual rate divided by 12 and n is the number of months.
- Credit card minimum, as stated on the statements in this book: the greater of $35 or (one month's interest + 1% of the balance). Monthly interest rate = APR $\div$ 12 (a simplification: real cards usually apply a daily rate to the average daily balance).
- 50/30/20: 50% of net pay to needs, 30% to wants, 20% to saving.
- Federal student loan rates, 2026–27: undergraduate 6.52%; graduate unsubsidized 8.07%; PLUS 9.07%.

Retirement and health

- Health claims: the deductible is paid first, then coinsurance applies to what is left, until the out-of-pocket maximum is reached.
- 2026 contribution limits, under age 50: 401(k) $24,500; IRA $7,500; HSA $4,400 self-only and $8,750 family; health FSA $3,400.
- 2026 high-deductible health plan minimums: deductible $1,700 self-only, $3,400 family; out-of-pocket maximum $8,500 and $17,000.

Wyoming facts (2026)

- State income tax: none.
- Minimum wage: $7.25 an hour (the federal rate).
- Statewide sales tax 4% (local taxes can add more).
- Minimum auto liability 25/50/20.
- State 529 college savings plan: any state's 529 plan (Wyoming has no plan of its own).
- A state student-aid program: Hathaway Scholarship.

Figures marked with a year are dated. They are correct for 2026 and are printed here so that no question depends on recalling them.

Personal Finance Quick Review

The terms, formulas, and traps these tests keep coming back to

How to use this review. Read it once before Practice Test 1, then use it after each test: for every question you missed, find its card, reread it, and check the **Watch out** line—most missed questions fall into one of those traps. The six sections follow the core topics of personal finance, and together they cover every area on the Wyoming tests (the areas are listed on page 2). A **Numbers and Formulas** card closes the review.

1 Earning Income
Pay stubs, taxes, benefits, and careers

1.1 Reading a pay stub

Gross pay	everything earned before any deduction
Deductions	taxes, benefit premiums, retirement contributions
Net pay	what actually reaches the bank account
YTD	the running total from January through this check

gross pay → pre-tax deductions → taxes withheld → after-tax deductions → net pay

Pay periods per year: weekly 52, biweekly 26, semimonthly 24, monthly 12.

Watch out: biweekly (every two weeks, 26 checks) is not semimonthly (twice a month, 24 checks).

1.2 Hourly pay and overtime

Overtime in this book: unless a question says otherwise, hours over 40 in one workweek are paid at 1.5 times the regular rate.

Example: $18/hour, 46 hours → $40 \times 18 = \$720$; $6 \times 27 = \$162$; gross $882.

Annual from hourly: rate × 2,080 hours for a full-time year.

Watch out: only the hours *over* 40 earn the overtime rate, not the whole week.

1.3 Payroll taxes and income tax

- **FICA:** Social Security 6.2% (up to the annual wage cap) plus Medicare 1.45%; together 7.65%. Self-employed workers pay 15.3% on 92.35% of net earnings (the simplified rule this book uses; at high earnings the Social Security part stops at the wage cap).
- **W-4:** tells the employer how much federal income tax to withhold. **W-2:** the employer's year-end summary of wages and withholding. **1040:** the individual tax return.
- **Taxable income** = income − deductions (for most filers, the standard deduction).
- **Marginal brackets:** each rate applies only to the income inside its bracket.

Watch out: moving into a higher bracket does not raise the tax on all your income—only on the dollars above the line.

1.4 Total compensation and careers

Compare job offers on **salary − your yearly premiums + employer match and other benefits**, not salary alone.

Education and training: weigh the full cost (tuition, fees, living costs, interest on loans) against the added earnings. Grants and scholarships are not repaid; loans are.

Watch out: a higher salary can be worth less once a large health premium and a missing retirement match are counted.

2 Spending
Budgets, consumer choices, cars, and housing

2.1 Budgets

Budget = a plan for net (take-home) pay. **Needs** (rent, utilities, groceries, transportation, insurance), **wants**, and **saving**.

50/30/20: 50% needs, 30% wants, 20% saving, each of net pay.

Fixed expenses stay the same each month; **variable** expenses change.

Sinking fund: set aside a bill's cost month by month: a \$588 six-month premium $\rightarrow \$588 \div 6 = \$98$/month.

Watch out: build a budget from net pay, not gross pay.

2.2 Smart buying

- **Unit price** = price ÷ quantity; compare in the same unit.
- **Sales:** a 20% discount then 10% off the sale price is 28% off, not 30%.
- **Sales tax** applies to the price after discounts.
- **Opportunity cost:** the value of the next-best choice you give up.

Watch out: two discounts in a row do not simply add.

2.3 Buying or leasing a car

Total cost of a loan = down payment + (monthly payment × months).

Total cost of a lease = due at signing + (payment × months) + end-of-lease fees; at the end you own nothing.

Ownership costs beyond the payment: insurance, fuel, maintenance, registration.

Watch out: the lower monthly payment is not the lower total cost; a longer loan usually costs more interest.

2.4 Housing and living on your own

- **Move-in cost** for a rental: first month's rent + security deposit (plus any fees).
- A common guideline keeps rent near or below about 30% of gross income.
- **Renters insurance** covers your belongings; the landlord's policy covers the building.
- **Buying** adds a down payment, closing costs, property tax, insurance, and repairs to the mortgage payment.

Watch out: a security deposit is refundable if the unit is left in good condition; it is not rent.

2.5 Consumer protection and scams

Warning signs: pressure to act now, payment by gift card or wire, requests for passwords or account numbers, and offers that sound too good to be true. Read a contract before signing; know the return policy and warranty.

Watch out: a legitimate bank or agency will not ask you to "verify" your password by text or email.

3 Saving
Accounts, fees, interest, and goals

3.1 Accounts, fees, and protection

Checking	everyday payments; debit card, transfers
Savings	earns interest; for goals and emergencies
Overdraft	spending more than the balance; often triggers a fee
Deposit insurance	FDIC (banks) or NCUA (credit unions): generally \$250,000 per depositor, per insured institution, per ownership category

Emergency fund: commonly three to six months of essential expenses.

Watch out: deposit insurance protects deposits if the institution fails; it does not cover investments or theft from your own mistakes.

3.2 Simple and compound interest

Simple: $I = Prt$. \$2,000 at 4% for 3 years $\rightarrow \$240$.

Compound: $A = P(1 + r/n)^{nt}$: interest earns interest.

Rule of 72: years to double $\approx 72 \div$ rate; at 6%, about 12 years.

APY includes compounding, so compare savings accounts by APY.

Watch out: write the rate as a decimal: $4\% = 0.04$, not 4.

14) A student borrows $5,500 in federal Direct Loans, which carry an origination fee of 1.057% deducted before disbursement. Approximately how much reaches the school?

(A) $5,500.00
(B) $5,558.14
(C) $5,441.87
(D) $5,267.46

15) Wei Chen, who lives in Laramie, compares three sizes of dog food on the shelf.

Shelf tags: dog food	Price
8-pound size	$2.54
20-pound size	$5.36
50-pound size	$14.80

Which size costs the least per pound?

(A) All three cost the same per pound
(B) The 20-pound size
(C) The 50-pound size
(D) The 8-pound size

16) Kwame Mensah of Evanston bought 20 shares of a fund at $50 and later 20 more at $60. He sells all 40 shares at $65 in a regular brokerage account. What is his total capital gain?

(A) $600
(B) $200
(C) $2,600
(D) $400

17) Cole Hansen of Gillette compares a $24,000 new truck he would keep 10 years with a $15,000 used truck he would keep 5 years. Ignoring repairs and interest, which has the lower cost per year?

(A) The used truck, $3,000 a year versus $2,400
(B) They are the same
(C) The new truck, $2,400 a year versus $3,000
(D) The used truck, because it costs less up front

18) Logan Reed is a river guide in Jackson who takes home $4,000 a month from May through October and earns nothing the other six months. He wants to spend the same amount every month all year. How much should he save from each working month's pay?

(A) $2,000
(B) $1,000
(C) $3,000
(D) $667

19) When does a conventional mortgage usually require private mortgage insurance (PMI)?

(A) When the down payment is more than 20%
(B) When the buyer pays cash for the whole home
(C) When the down payment is less than 20% of the home's price
(D) When the home is in an area with no property tax

20) Ahmed is an hourly, non-exempt worker at a private company. He works 46 hours this workweek, and his manager offers him 6 hours of paid time off next month instead of overtime pay. What does federal law generally require?

(A) Overtime pay of at least 1.5 times his regular rate for the 6 hours over 40 in the workweek
(B) The swap is legal as long as Ahmed agrees to it in writing
(C) The swap is legal as long as he gets the same 6 hours back as time off
(D) No overtime is owed unless he works more than 80 hours in the two-week pay period

21) A buyer finances $22,000 for a car at 7.5% APR. A 48-month loan has payments of $531.94, and a 72-month loan has payments of $380.38. How much more does the 72-month loan cost in total?

(A) $151.56
(B) $5,387.36
(C) $9,129.12
(D) $1,854.24

22) A study app costs $12.99 a month, or $109.99 for a full year paid up front and not refundable. A student will use it only during the 8 months of the school year and can cancel and restart the monthly plan at any time with no fee. Which plan is cheaper for this student, and by how much?

(A) The annual plan, by $45.89
(B) The annual plan, because it works out to about $9.17 a month
(C) The monthly plan, by $45.89
(D) The monthly plan, by $6.07

23) Hiroshi Tanaka, who lives in Rock Springs, is a regional sales director whose wages year to date are $180,200. The next semimonthly check is $9,400.00 of gross pay. Using the reference figures for 2026, what is the Social Security withholding on that check?

(A) $719.10
(B) $266.60
(C) $582.80
(D) $136.30

24) Julian deposits his paycheck with his bank's mobile app at 9 p.m. on a Friday. The bank's deposit cutoff time is 8 p.m. on business days, and Monday is not a holiday. On which day is the deposit usually treated as received?

(A) Friday
(B) Saturday
(C) Sunday
(D) Monday

25) Victor's house would sell for $400,000, and about $120,000 of that is the value of the land. A contractor estimates rebuilding the house would cost $260,000, and he owes $210,000 on his mortgage. Which dwelling coverage limit best fits the purpose of homeowners insurance?

(A) $400,000, the market value
(B) $260,000, the cost to rebuild
(C) $280,000, the market value minus the land
(D) $210,000, the mortgage balance

26) Rosa Delgado's health insurer denies a claim for a treatment her doctor says is medically necessary. What is usually her best next step?

(A) Pay the bill in full, because an insurer's denial is final
(B) Stop paying her premiums until the insurer pays the claim
(C) File an internal appeal with her doctor's supporting letter, then ask for an external review if it is still denied
(D) Wait for the insurer to review the claim again at renewal time

27) Nia keeps $5,000 in savings at a bank paying 0.01% APY. An insured online bank pays 3.80% APY. About how much more interest would she earn in one year by switching?

(A) $189.50
(B) $190.00
(C) $190.50
(D) $18.95

28) A cardholder paid only part of last month's credit card statement balance, so she is carrying a balance into this month. She then buys $200 of groceries with the card. Under a typical card agreement, when does interest start on the $200?

(A) Only after the next due date passes without the $200 being paid
(B) Never, as long as she pays at least the minimum payment each month
(C) Usually on the purchase date, because the grace period is lost while a balance is carried
(D) Only on any part of the $200 that she has not repaid within 30 days

29) What is collateral on a loan?

(A) Property the lender can take if the borrower does not repay
(B) The borrower's credit score
(C) The down payment the borrower makes at signing
(D) The interest paid over the life of the loan

30) Before credits, Owen owes $300 of federal income tax, and $500 was withheld from his pay during the year. He qualifies for a $1,000 tax credit that is refundable. What refund should he receive?

(A) $1,200
(B) $500
(C) $700
(D) $1,500

31) What does an emergency fund covering six months of expenses mainly protect against?

(A) Planned vacations and holiday gifts
(B) Rising prices caused by inflation over many years
(C) A job loss or a large unexpected bill
(D) Short-term drops in stock prices