



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FOURTH SEMESTER – APRIL 2015

EC 4504 - FISCAL ECONOMICS - I

Date : 18/04/2015
Time : 09:00-12:00

Dept. No.

Max. : 100 Marks

PART - A

Answer any **FIVE** questions not exceeding 75 words each: (5 X 4 = 20 marks)

1. What do you understand by Public Finance?
2. Write some of the main causes for the growth of public expenditure in India.
3. Differentiate between tax and fines.
4. List out the various canons of taxation of Adam Smith.
5. What do you mean by the 'Incidence of Taxation'?
6. What are the tools of fiscal policy?
7. Briefly explain the cost of service theory.

PART – B

Answer any **FOUR** questions not exceeding 250 words each: (4 x 10 = 40 marks)

8. Discuss the Scope of Public Finance.
9. Explain the various sources Public Revenue.
10. Briefly explain the various canons of Public Expenditure.
11. Define a 'tax'. Give an account of the characteristics of a good tax system.
12. Critically examine the benefit theory of taxation.
13. Discuss the Factors that determine the Incidence of Tax.
14. Bring out the objectives of Fiscal Policy.

PART – C

Answer any **TWO** questions in about 900 words each: (2 x 20 = 40 marks)

15. Explain the Differences between Public Finance and Private Finance.
16. Discuss the effects of Taxation on Production, Distribution and Consumption.
17. Critically examine the Ability to pay theory of taxation.
18. Explain the Concentration Theory and The Diffusion Theory of Incidence of Taxation with its criticisms.

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