

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A.DEGREE EXAMINATION –ECONOMICS

FOURTH SEMESTER – APRIL 2018

EC 4504– FISCAL ECONOMICS - I

Date: 08-05-2018

Dept. No.

Max. : 100 Marks

Time: 01:00-04:00

PART – A

Answer any FIVE questions not exceeding 75 words each.(5 x 4 = 20 Marks)

1. What is the scope of Public Finance?
2. List out the various canons of Taxation.
3. Differentiate between Tax and Fees.
4. List out the various sources of Public Revenue.
5. What do you mean by the 'Incidence of Taxation'?
6. Mention any four objectives of Fiscal Policy.
7. Briefly explain the cost of service theory.

PART – B

Answer any FOUR questions not exceeding 250 words each. (4x10=40 Marks)

8. Explain the Principle of Maximum Social Advantage. What are the difficulties in its application?
9. Describe the various canons of Public Expenditure.
10. Analyse the reasons for the growth of Public Expenditure in India.
11. Define a 'tax'. Give an account of the characteristics of a good tax system.
12. Examine the incidence of Income Tax.
13. Describe the Benefit Theory of Taxation and its limitations.
14. Discuss the various tools of Fiscal Policy.

PART – C

Answer any TWO questions in about 900 words each. (2 x 20 = 40 Marks)

15. Discuss the effects of Public Expenditure on Production, Distribution and Consumption.
16. Critically examine the Ability to pay theory of taxation.
17. Explain the concept of Taxable Capacity. What are the factors which determine the taxable capacity of a country?
18. Explain the theory of shifting and incidence under perfect competition.
