

Principles of Economics Icom Part 1 English Medium Chapter 13 Online Test

Sr	Questions	Answers Choice
1	"Public finance is that branch of economics which studies the revenue and expenditures of governments institutions, their inter-relationship and financial administration" This definition is stated by	A. Bastable B. Armitage Smith C. Marshall D. Pigou
2	Private owners of minerals are bound to pay ----- Zakat of their production	A. 10% B. 15% C. 20% D. 25%
3	The rate of usher on product of canal land is	A. 5% B. 10% C. 20% D. 2.5%
4	Government estimates its income and expenditures	A. Monthly B. Three monthly C. Six monthly D. Annual
5	If the rate of tax increase with the increase of level of income, is called	A. Progressive tax B. Proportional tax C. Regressive tax D. Value added tax
6	Government needs public finance	A. For the defence of frontiers B. To maintain law and order in the country C. For the payment of salaries of government employees D. For the welfare of the people
7	Zakat is part of the present income	A. 20th B. 30th C. 40th D. 50th
8	Which one of the following stated the canons of taxation first	A. Adam Smith B. Marshall C. Robbins D. Keynes
9	The revenue collection of government and spending policy is called	A. Monetary policy B. Fiscal policy C. commercial policy D. Labour policy
10	Phases of trade cycle are:	A. Three B. Four C. Five D. Six
11	On which amount Zakat is payable	A. Twenty thousand rupees B. On the amount equal to the value of 7.5 tola gold or 52.5 tola silver C. On fifty thousand rupees D. On one lac rupees
12	If every person pays tax according to his capacity, it is called	A. Canon of certainly B. Canon of equality C. Canon of productivity D. Canon of convenience
13	A good thing in private finance	A. Expenditures are equal to income B. Expenditure are more than income C. Income is more than expenditures D. a and b both
14	Modern theory trade cycle was presented by:	A. Hawtrey B. Habson Foster C. Jevons D. J.R Hicks
		A. Shopkeeper

15	At last, indirect tax is paid by	B. Entrepreneur C. Customer D. Whole-seller
16	The tax whose burden can be shifted to the customers, is called	A. Proportional tax B. Progressive tax C. Direct tax D. Indirect tax
17	One of the following is not included in the public expenditures	A. Courts B. Fee C. Public administration D. Defence
18	If the income of the government is less than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
19	If the income and expenditures of the government are equal, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
20	During depression, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced