

ICS Part 2 Economics English Medium Chapter 6 Online Test

Sr	Questions	Answers Choice
1	Progressive taxes	A. Increase government revenue B. Bring equality in distribution of incomes C. Act as penalty for rich people D. a and b of above
2	Progressive taxes	A. Are harmful for the economy B. Bring equality in distribution of income C. Compel rich people to be honest D. Decrease evasion of taxes
3	It is direct tax	A. Excise tax B. Sales tax C. Income tax D. Custom duty
4	This is not a Principle of taxation	A. Principle of equality B. Principle of equality C. Principle of adequacy D. Principle of convenience
5	Which of the following tax is best example of ability to pay principle of taxes	A. excise tax on cigarettes B. Highway toll tax C. Personal income tax D. Proportional sales tax
6	The most important source of income of a government is.	A. Foreign loans B. Taxes C. Printing of new money D. Sale of government property
7	Government finance is called.	A. National finance B. Public finance C. Private finance D. a and b above
8	The Government can collect funds from	A. Taxes B. Fees C. Prices of public goods D. All the three
9	Whom of the following propounded principles of taxation	A. Keynes B. Adam Smith C. Marshall D. Ghazali
10	Which source a private company cannot use?	A. A Bank loan B. Tax C. Selling new shares in stock exchange D. Detail finance
11	In Pakistan, taxes are levied by	A. Prime Minister of Pakistan B. President of Pakistan C. Federal cabinet of ministers D. National Assembly
12	The most important source of income of a government is.	A. Foreign loans B. Printing of New money C. Sale of government property D. Taxes
13	Taxes on commodities are	A. Direct taxes B. Indirect Taxes C. Progressive taxes D. Proportional taxes
14	Govt. taxation and spending policies are called.	A. Fiscal policy B. Monetary policy C. Commercial policy D. Finance policy
		A. Weekly

15	Govt. prepares its budget	B. Monthly C. Quarterly D. Annually
16	In Pakistan government budget is prepared by	A. National Assembly B. President of Pakistan C. Ministry of Finance D. State Bank of Pakistan
17	One of the following is NOT a feature of public finance.	A. Balancing of income and expenditure B. Secrecy C. Publicity D. Saving some part of income
18	Govt. taxing and spending policies are called.	A. Fiscal policy B. Public policy C. Monetary Policy D. Economic policy
19	Which one of the following is NOT a principle of taxation	A. Principle of equality B. Principle of morality C. Principle of certainty D. Principle of diversity
20	In Pakistan Income tax is	A. Progressive tax B. Regressive tax C. Proportional tax D. Fixed tax