

## Economics - ICom Part 2 Principles of Economics Chapter 11 Short Questions Preparation

Q1. How are custom duties imposed.

**Ans 1:** 1- In accordance with the weight of the products

**Ans 2:** 2- In accordance with the value of the product.

Q2. What is Charity.

**Ans 1:** Voluntarily spending in the way of God is called Charity. Another word financial help of need people is counted in charity.

Q3. What meant by Zakat.

**Ans 1:** The meaning of Zakat is purification and growth Zakat purifies the wealth from which the fixed amount of Zakat is paid. The person who pays zakat his wealth grows by the blessing and favour of Allah.

Q4. What are the principles of taxation.

**Ans 1:** 1- Principle of equality 2- Principle of certainty  
3- Principle of convenience

**Ans 2:** 4- Principles of economy 5- Principle of productivity

**Ans 3:** 6- Principle of simplicity 7- Principle of elasticity 8- Principle of diversity

**Ans 4:** 9- Principle of economic development

Q5. Write five advantages of Zakat, Usher and Charity.

**Ans 1:** 1- Distribution of wealth becomes fair.

**Ans 2:** 2- Unemployment is removed

**Ans 3:** 3- Useless consumption is discouraged

**Ans 4:** 4- Circulation of capital increases

**Ans 5:** 5- They provide a base for interest free economy.

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Q6. Write sources of public non tax revenue.

**Ans 1:** 1- Interest of loan 2- Price 3- Gifts 4- Foreign aid

**Ans 2:** 5- Special assessment 6- Public property

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Q7. Write five major sources of revenue of central government of Pakistan

**Ans 1:** 1- Custom duties 2- Central excise duty 3- Income tax and corporate tax

**Ans 2:** 4- Sales tax 5- Department of post 6- Telegraph, and telephone.

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Q8. Write components of public revenue.

**Ans 1:** 1- Tax Revenue 2- Non tax revenue

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Q9. Write components of public finance.

**Ans 1:** 1- Public revenue 2- Public expenditures 3- Public debt

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Q10. Write the sources of public tax revenue.

**Ans 1:** 1- Custom duties 2- Central excise duty 2- Sales tax

**Ans 2:** 4- Wealth tax 5- Income tax and corporate tax

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