

Economics - ICS Part 1 Economics English Medium Chapter 14 Short Questions Test

Q1. What is custom duties.

Ans 1: Custom duties are the third most important source of tax revenue which brings around 10% of tax collection of federal govt.

Q2. What is the meaning of Usher

Ans 1: Usher is an Arabic word meaning one tenth

Q3. What is Value added tax.

Ans 1: Value added tax is a special type of indirect tax it is an alternative form of simple sales tax which is levied at different stages in the production and sale of a product or service.

Q4. Define Customs tax.

Ans 1: These include import and export duties. Import duty is charged on almost all kinds of commodities imported.

Q5. What are fiscal variables

Ans 1: Taxation and public spending affect private decisions about saving and investment both directly and indirectly in this way a good tax system and a fiscal policy become a determinant of economic growth.

Q6. Why does the Holy Quran say Zakat?

Ans 1: "Take from their property you would cleanse them and purify them thereby"

Q7. Define Usher

Ans 1: Usher means one tenth, In Islamic economic system, it is the term applied to the compulsory deduction made from the agricultural produce at the time of the harvest.

Q8. Assessment and Nisab of Zakat.

Ans 1: The minimum rate is 2.5% on gold and silver and saved money. A person who possesses at least 7 1/2 tolas gold or 52 1/2 tolas of silver or equivalent money has to pay zakat. A person, such as is called 'Saheb-e-Nisab'

Q9. Define General Tax

Ans 1: General is the 2nd largest tax its general rate is 17% sales, tax is paid by the importers and by wholesalers dealers on sale of goods produced in Pakistan.

Q10. Define Provincial share in taxes.

Ans 1: provincial government collect only a small amount through taxes. they mostly rely on funds received from the federal government. It is called the Provincial share in taxes.
