

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

Q1. What is the meaning "to grow" see the verse.

**Ans 1:** "He is indeed successful who causes it to grow and he falls who buries it"

Q2. Define is 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.

Q3. What is 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.

Q4. 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 wholesale dealers on sale of goods produced in Pakistan.

Q5. What is Fiscal policy.

**Ans 1:** The government policy about taxes, public revenue, public expenditure and budget is called fiscal policy.

Q6. Define Income tax.

**Ans 1:** Income tax is levied on the income of the individuals while corporation tax is imposed on the income of joint stock companies.

Q7. 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.

Q8. What is Charity

**Ans 1:** Charity is always voluntary. A person may give in charity any share of his income or wealth but he must pay zakat at least in the minimum rate prescribed by Islam or at a higher rate.

---

Q9. What is the meaning of Zakat

**Ans 1:** The word zakat mean is  
1- Which purifies 2- Which grows

---

Q10. Why says the Zakat The Holy Quran.

**Ans 1:** "Take aims out of their property you would cleansess them and purify them thereby"

---