

Economics - ICS Part 2 Economics English Medium Chapter 4 Online Short Questions Test

Q1. Define Excise Duty.

Ans 1: The tax which is imposed on domestically manufactured goods is called Excise duty.

Q2. What is meant by surplus budget.

Ans 1: When the revenue of the government is more than its expenditures, then it is called surplus budget.

Q3. What is meant by progressive tax.

Ans 1: A tax in which rate of tax increases with the increase of level of income is called progressive tax. In Pakistan income tax is progressive tax.

Q4. What are kinds of public expenditures.

Ans 1: 1- Development of expenditures 2- Non development expenditures.

Q5. Write kind of public budget.

Ans 1: 1- Revenue budget 2- Capital budget

Q6. What are different kinds of taxes.

Ans 1: 1- Direct Tax 2- Indirect Tax 3- Proportional tax

Ans 2: 4- Progressive tax

Ans 3: 5- Regressive tax 6- Value added tax

Q7. Write four sources of tax revenue of the government.

Ans 1: 1- Custom duty 2- Excise duty 3- Income tax and corporate tax

Ans 2: 4- Sales tax.

Q8. What is meant by budget.

Ans 1: Account of income nad expenditure is called budget.

Q9. Write four difference between public finance and private finance.

Ans 1: 1- Difference in Adjustment of income and expenditure.

Ans 2: 2- Difference in budget period.

Ans 3: 3- Private budget is kept secret while public budget is announced.

Q10. What is meant by direct tax.

Ans 1: Direct tax means the tax which is paid from the pocket of the person on when it is levied. It means the incidence and impact of the tax is one the same person income tax, peoperty tax and wealth tax are the examples of this kind of tax.
