



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FIFTH SEMESTER – NOVEMBER 2013

EC 5507/EC 5503 – FISCAL ECONOMICS - II

Date : 12/11/2013
Time : 9:00 - 12:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 Marks)

1. Explain the characteristics of Income Tax?
2. Define Value Added Tax.
3. Argue for agricultural taxation.
4. What is Professional Tax? Explain.
5. Discuss the necessity of Local Finance.
6. Explain Revenue Budget.
7. State the problems in Federal Finance.

PART – B

Answer any FOUR questions in about 250 words each:

(4 x 10 = 40 Marks)

8. Argue for and against Capital Gains Tax.
9. Explain the merits and demerits of Value Added Tax.
10. Discuss the effects of Indirect Taxes.
11. Examine the sources of local finance.
12. Analyse the purposes of Performance Budgeting.
13. Discuss the problems in financial adjustment in a Federal system.
14. Examine the methods of financial transfer in a federal setup.

PART – C

Answer any TWO questions in about 900 words each:

(2 x 20 = 40 Marks)

15. Explain tax evasion and tax avoidance? Discuss the reasons for tax evasion and measures to rectify the same.
16. Define Excise Duties? What are the objectives and the arguments for and against Excise Duties.
17. Evaluate the financial problems encountered by local bodies and suggest steps to be taken to overcome them.
18. What are the recommendations made by the 13th Finance Commission? Analyse.

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