



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION - ECONOMICS

FIFTH SEMESTER – NOVEMBER 2015

EC 5507/EC 5503 - FISCAL ECONOMICS - II

Date : 11/11/2015
Time : 09:00-12:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 marks)

1. Define Corporate Income Tax.
2. Define Value Added Tax.
3. State the rationale for agricultural taxation.
4. Define Motor Vehicle Tax.
5. State the need for Local Finance.
6. Define Revenue Budget.
7. List out the problem of Federal Finance.

PART – B

Answer any FOUR questions in about 250 words each:

(4 x 10 = 40 marks)

8. Briefly explain the arguments in favour of and against Capital Gains Tax.
9. Discuss the merits and demerits of Value Added Tax.
10. Evaluate the impact of Indirect Taxes on the economy.
11. Examine the sources of financing local bodies.
12. What are the objectives of deficit budgeting.
13. Explain the problems in financial adjustment in a Federal system.
14. Analyse the methods of Inter-Governmental financial transfer.

PART – C

Answer any TWO questions in about 900 words each:

(2 x 20 = 40 marks)

15. Evaluate the taxes levied by the State Governments.
16. Examine the reasons for and effects of Deficit Budgeting.
17. Discuss the financial problems encountered by local bodies and suggest steps to be taken to overcome them.
18. Critically analyse the recommendations of the 14th Finance Commission.

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