



**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.A. DEGREE EXAMINATION – ECONOMICS**

**FOURTH SEMESTER – APRIL 2017**

**EC 4504 - FISCAL ECONOMICS - I**

Date: 25-04-2017  
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

**PART – A (5 x 4 = 20 Marks)**

**Answer any FIVE questions not exceeding 75 words each.**

1. What do you mean by Private Finance?
2. List out the types of Public Expenditure.
3. Differentiate between Fees and Fines.
4. What are the sources of Public Revenue?
5. What do you mean by the 'Incidence of Taxation'?
6. What do you mean by taxable capacity?
7. Briefly explain the objectives of Fiscal Policy.

**PART – B (4 x 10 = 40 Marks)**

**Answer any FOUR questions not exceeding 250 words each**

8. Discuss the scope of public finance.
9. Distinguish between Tax Revenue and Non-Tax Revenue.
10. Discuss the effects of public expenditure on production.
11. Briefly explain the Diffusion theory of Incidence of taxation.
12. Explain the features of a good tax system.
13. Describe the Benefit Theory of Taxation.
14. Discuss the important tools of Fiscal Policy.

**PART – C (2 x 20 = 40 Marks)**

**Answer any TWO questions in about 900 words each.**

15. Differentiate between Public Finance and Private Finance
16. Explain the Principle of Maximum Social Advantage. What are the difficulties in its application?
17. Discuss the effects of Public Expenditure on Production, Distribution and Consumption.
18. Critically evaluate the Ability to pay theory of taxation.

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