2014

ECONOMICS

(Major)

Paper: 6.1

(Public Economics)

Full Marks: 60

Time: 3 hours

The figures in the margin indicate full marks for the questions

1. Answer the following questions: 1x7=7

(a) What do you mean by incidence of tax?

(b) What do you mean by regressive tax?

(c) Define taxable capacity.

(d) Define government budget.

(e) State one important objective of fiscal policy.

(f) Bring out the meaning of federal finance.

(g) What do you mean by tax-sharing as far as fiscal federalism is concerned?
2. Answer the following questions: 2x4=8

(a) Bring out the distinction between direct and indirect tax.

(b) Bring out the difference between balanced and unbalanced budget.

(c) Differentiate between proportionate tax and progressive tax.

(d) State two important principles of federal finance.

3. Answer any three questions from the following: 5x3=15

(a) Explain four factors determining taxable capacity.

(b) Write a note on the Benefit Principle of Taxation.

(c) Differentiate between revenue and capital budget.

(d) Explain the various components of fiscal policy in brief.

(e) Write a short note on zero-base budgeting.

4. Answer any three questions from the following: 10x3=30

(a) What are the various canons of taxation? Explain.

(b) Critically analyze the distributional effect of taxation.

(c) Critically examine the role of taxation in developing countries.

(d) Give an overview of the classification of public budget. Also explain the various types of government budget.

(e) Critically analyze the role of fiscal policy in a developing economy.

(f) Briefly explain the various recommendations of the 13th Finance Commission of India.