

FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2023**(Regular/Improvement/Supplementary)****ECONOMICS****GECO5B10T: FISCAL ECONOMICS****Time: 2 ½ Hours****Maximum Marks: 80****SECTION A: Answer the following questions. Each carries *two* marks.****(Ceiling 25 Marks)**

1. Define surplus budget.
2. Mention the different tests for evaluating social advantage by Dalton.
3. Point out the economic reasons for the growth of public expenditure.
4. Define internal Rate of Return.
5. How taxation acts as a stabilizer?
6. Define public revenue.
7. Comment on Octroi.
8. What is MODVAT?
9. Define debt repudiation.
10. Briefly explain the stabilization function of the government.
11. What are the four canons of public expenditure as stated by Findlay Shirras?
12. Define Gift tax.
13. What are the causes of deficit financing?
14. What are the recommendations of the 14th Finance Commission for devolution of net revenue by the union of India to the states?
15. Give a brief account of multi point shifting of tax.

SECTION B: Answer the following questions. Each carries *five* marks.**(Ceiling 35 Marks)**

16. “The increase in public expenditure does not follow any smooth and continuous trend but the increase in public expenditure occurred in step like manner or in jerks” comment.
17. Explain the jurisdiction of the Finance Commission.
18. What are the major sources of revenue of local bodies?
19. Briefly explain VAT.
20. Bring out the difference between funded and unfunded debt.
21. Explain the meaning of the term budget and point out the features of budgeting.
22. What is incidence? Also state the importance of this concept.
23. Explain the effect of public expenditure on willingness to work, save and invest.

SECTION C: Answer any *two* questions. Each carries *ten* marks.

24. Bring out the difference between private and public finance and also examine the scope of public finance.
25. Make a complete evaluation on investment, project and cost-benefit analysis.
26. Distinguish between single tax system and multiple tax system. What are the merits and demerits of these systems?
27. Explain the compensatory fiscal policy in India.

(2 x 10 = 20 Marks)