

- (ii) marginal disutility of taxation is less than the marginal utility of public expenditure
 - (iii) taxation and public expenditure are at the lowest level
 - (iv) None of the above
- (b) The whole burden of a tax will be borne by the sellers if
- (i) the demand for a commodity is inelastic and supply is perfectly elastic
 - (ii) the elasticity of demand for a commodity is same as the elasticity of supply of the commodity
 - (iii) the demand for a commodity is perfectly elastic and supply is inelastic
 - (iv) $E_d > E_s$

- (c) How can vertical equity in the distribution of tax burden be best achieved?
- (i) By adopting proportional tax structure
 - (ii) By adopting progressive tax structure
 - (iii) By adopting regressive tax structure
 - (iv) By adopting degressive tax structure
- (d) Which one of the following statements is correct?
- Capital levy is a
- (i) once-for-all inheritance tax
 - (ii) once-for-all estate duty
 - (iii) once-for-all capital gains tax
 - (iv) tax on fixed deposits
- (e) Which of the following economists strongly argued that 'the Government should not make profits and follow a policy of no profit and no loss'?
- (i) Fabians
 - (ii) Taylor
 - (iii) V. K. R. V. Rao
 - (iv) All of the above