

Q1) Explain definitions :-

(i) goods

(ii) services

(iii) Input service

What are the advantages of direct taxes?

(i) Goods

In economics, goods are items that satisfy human wants and provide utility, for example, to a consumer making a purchase of a satisfying product.

A common distinction is made between goods which are transferable and services, which are not transferable. A good may be a consumable item that is useful to people but scarce in relation to its demands.

(ii) Services

In economics, a service is a transaction in which no physical goods are transferred from the seller to the buyer. The benefits of such a service are held to be demonstrated by the buyer's willingness to make the exchange. Public services are those that

Input service means any services used by provider of output service for providing an output service or services used in relation to modernization renovation or repairs of a premises of provider of output service or an office relative to such premises.

Q What are the advantages of direct tax.

⇒ Promotes equality, since direct taxes are based on the ability of a person to pay it & makes equality among payers and citizens

⇒ Promotes elasticity

⇒ Save time and money