
3.5

Exploring Business

The purpose of Taxation

Learning Outcome Notes

LO 3.5 - Examine the purpose of taxation from a financial, social, legal and ethical perspective

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Exploring Business

The Purpose of Taxation

Past Exam Questions and Answers

NOTE - Very Important

It is very important when answering exams question that you use the following steps -

1. That you know the information for the learning outcome
2. That you understand the information form the learning outcome
3. That you can apply the information form the learning outcome to the question
4. Be able to give at least two full sentences for your answer (Fill up the space)

Questions are changing from rote learning to applying the knowledge to the Question

QUESTIONS**2022 - Question 11**

Carbon tax has increased from €33.50 to €41.00 per tonne. The Government expects this increase to raise an additional €108 million in revenue for 2022.

(i) What is the social benefit to Irish people of an increase in carbon Tax

(ii) Identify who will be negatively by this increase in carbon tax

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SUGGESTED SOLUTIONS**2022 - Question 11**

Carbon tax has increased from €33.50 to €41.00 per tonne. The Government expects this increase to raise an additional €108 million in revenue for 2022.

(i) What is the social benefit to Irish people of an increase in carbon Tax

Discourage bad behaviour - A Carbon tax is a penalty on all fuels that emits CO₂ when burned

Increasing the carbon tax will force people to use alternative more sustainable energy

Sources like electric cars. This will mean less pollutants in the air and improve the air quality

For Irish people

(ii) Identify who will be negatively by this increase in carbon tax

People who use Fuels that emit CO₂ when burned. Fuels such as oil, gas, coal and peat