

[Jump to Navigation Frame](#)

 Your location: [Assessments](#) > [View All Submissions](#) > **View Attempt**

View Attempt 1 of unlimited

Title: **Assignment 5 DUE OCT 23**

Started: October 23, 2009 2:20 AM



Submitted: October 23, 2009 2:15 PM

Time spent: [11:55:16](#)

Total score: **20/20 = 100%** Total score adjusted by 0.0 Maximum possible score: 20

1.

The quantity supplied of land is constant regardless of price. Suppose a tax is imposed on land. Who will pay the greater share of such a tax?



Student Response	Value	Correct Answer	Feedback
1. The buyers will pay the entire share.			
 2. The sellers will pay the entire share.	100%		
3. The buyers and the sellers will pay equal shares.			
4. There is not enough information to answer the question.			

Score: 1/1

Comments:

2.

Suppose the demand for a particular good is perfectly inelastic and the government decides to impose a tax on the production of this good. Who will pay the greater share of such a tax?

Student Response	Value	Correct Answer	Feedback
 1. The buyers will pay the entire share.	100%		

2. The sellers will pay the entire share.
3. The buyers and the sellers will pay equal shares.
4. There is not enough information to answer the question.

Score: 1/1



Comments:

3.

Exhibit 5-2

Refer to Exhibit 5-2. The market for good X is initially in equilibrium at \$5. The government then places a tax on the producers of good X-in effect, taxing them on each unit of good X they sell. As a result, the supply curve

Student Response	Value Correct Answer	Feedback
1. shifts (down and) rightward from S_2 to S_1 .		
2. There is not enough		

information to answer the question.
<div>  3. shifts (up and) leftward from S_1 to S_2. </div> <div>100% </div>
4. does not shift from S_1 .



Score: 1/1

Comments:

4.

Exhibit 5-2

Refer to Exhibit 5-2. The market for good X is initially in equilibrium at \$5. The government then places a per-unit tax on good X, as shown by the shift of S_1 to S_2 . As a result, the equilibrium price

Student Response	Value	Correct Answer	Feedback
<div>  1. rises from \$5.00 to \$6.25. </div>	100%		
2. falls from \$5.00 to \$4.00.			
3. remains constant at \$5.00.			
4. none of			

the above

Score: 1/1



Comments:

5.

Exhibit 5-2

Refer to Exhibit 5-2. The market for good X is initially in equilibrium at \$5. The government then places a per-unit tax on good X, as shown by the shift of S_1 to S_2 . As a result,

Student Response	Value	Correct Answer	Feedback
1. consumers end up paying \$6.25 per unit, and producers end up receiving \$5.00 per unit, but keeping only \$4.00 per unit.			
2. consumers end up paying \$6.25 per unit, and producers end up receiving and keeping \$4.00 per			

unit.
3. consumers end up paying \$5.00 per unit, and producers end up receiving and keeping \$5.00 per unit.
 4. consumers 100%  end up paying \$6.25 per unit, and producers end up receiving \$6.25 per unit, but keeping only \$4.00 per unit.
5. none of the above



Score: 1/1

Comments:

6.

Exhibit 5-2

Refer to Exhibit 5-2. The market for good X is initially in equilibrium at \$5. The government then places a per-unit tax on good X, as shown by the shift of S_1 to S_2 . What is the per-unit tax equal to?

Student Response	Value	Correct Answer	Feedback
1. \$1.00			
2. \$0.25			
3. \$1.25			
 4. \$2.25	100%		
5. \$4.00			



Score: 1/1

Comments:

7.

Exhibit 5-2

Refer to Exhibit 5-2. The market for good X is initially in equilibrium at \$5. The government then places a per-unit tax on good X as shown by the shift of S_1 to S_2 . What is an expression for the tax revenue raised?



Student Response	Value	Correct Answer	Feedback
1. $\$2.25 \times (Q_1 - Q_2)$			
2. $\$1.25 \times Q_2$			
3. $\$1.00 \times Q_2$			
 4. $\$2.25 \times Q_2$	100%		
5. $(\$1.00 \times Q_2) + [\$1.25 \times (Q_1 - Q_2)]$			

Score: 1/1

Comments:

8.

Buyers of a product will pay the majority of a tax placed on a product when

Student Response	Value	Correct Answer	Feedback
1. the tax is placed on the seller of the product.			
2. the tax is placed on the buyer of the product.			
3. the demand is more elastic than supply.			
 4. supply is more elastic than demand.	100%		



Score:

1/1

Comments:

9.

If a tax is imposed on a market with elastic demand and inelastic supply,

Student Response	Value	Correct Answer	Feedback
1. buyers will bear most of the burden of the tax.			
 2. sellers will bear most of the burden of the tax.	100%		
3. the burden of			



the tax will be shared equally between buyers and sellers.
4. it is impossible to determine how the burden of the tax will be shared.

Score: 1/1

Comments:

10.

One result of a tax, whether the tax is placed on the buyer or the seller, is that the



Student Response	Value	Correct Answer	Feedback
1. price the seller receives is higher.			
2. supply curve will shift upward.			
3. demand curve will shift upward.			
4. demand curve will shift downward.			
 5. None of the above are correct.	100%		

Score: 1/1

Comments:

11.

A \$2.00 tax placed on the sellers of potting soil will shift the supply curve



Student Response	Value	Correct Answer	Feedback
1. left (upward) by less than \$2.00.			
 2. left (upward) by exactly \$2.00.	100%		
3. right (downward) by less than \$2.00.			
4. right (downward) by exactly \$2.00.			

Score: 1/1

Comments:

12.

The benefit received by buyers in the market is measured by

Student Response	Value	Correct Answer	Feedback
 1. consumer surplus.	100%		
2. the demand curve.			
3. the amount buyers are willing to pay for the good.			
4. the equilibrium price.			



Score: 1/1

Comments:

13.

Figure 8-2

Refer to Figure 8-2. The price that will be paid after the tax is

Student Response	Value	Correct Answer	Feedback
1. P_1 .			
2. P_2 .			
 3. P_3 .	100%		
4. impossible to determine.			



Score: 1/1

Comments:

14.

Figure 8-2

Refer to Figure 8-2. The price sellers receive after the tax is

Student Response	Value	Correct Answer	Feedback
 1. P_1 .	100%		
2. P_2 .			
3. P_3 .			
4. impossible to determine.			



Score: 1/1

Comments:

15.

Figure 8-2

Refer to Figure 8-2. The per unit burden of the tax on buyers is

Student Response	Value	Correct Answer	Feedback
 1. $P_3 - P_2$.	100%		
2. $P_2 - P_1$.			
3. $Q_2 - Q_1$.			
4. $P_3 - P_1$.			



Score: 1/1

Comments:

16.

Figure 8-2

Refer to Figure 8-2. The per unit burden of the tax on the sellers is

Student Response	Value	Correct Answer	Feedback
1. $P_3 - P_2$.			
 2. $P_2 - P_1$.	100%		
3. $P_3 - P_1$.			
4. $Q_2 - Q_1$.			



Score: 1/1

Comments:

17.

Figure 8-2

Refer to Figure 8-2. The amount of the tax imposed is

Student Response	Value	Correct Answer	Feedback
1. $P_2 - P_1$.			
2. $Q_2 - Q_1$.			
 3. $P_3 - P_1$.	100%		
4. $P_3 - P_2$.			



Score: 1/1

Comments:

18.

Figure 8-2

Refer to Figure 8-2. The amount of tax revenue received by the government is equal to the area

Student Response	Value	Correct Answer	Feedback
1. P_1 C D P_2 .			
 2. P_3 A C P_1 .	100%		
3. P_2 D A P_3 .			
4. A B C.			



Score: 1/1

Comments:

19.

Figure 8-2

Refer to Figure 8-2. The amount of deadweight loss associated with the tax is equal to

Student Response	Value	Correct Answer	Feedback
1. P_1 D C P_2 .			
2. P_2 A D P_3 .			
3. P_3 A C P_1 .			
 4. A B C.	100%		



Score: 1/1

Comments:

20.

When the government places a tax on a product

Student Response	Value	Correct Answer	Feedback
1. the burden of the tax to buyers and sellers will be less than the revenue raised from the tax by the government.			
2. the burden of the tax to buyers and sellers will equal the			

<p>revenue raised from the tax by the government.</p>	<p> 3. the burden of the tax to buyers and sellers exceeds the revenue raised from the tax by the government. 100% </p>
<p>4. without additional information, such as the elasticity of demand for this product, it is impossible to compare tax burden with tax revenue.</p>	

Score:

1/1

Comments: