

National Output – Day 7 Questions

Econ 202/Haworth

The questions below are provided to test your understanding of this day's material.

*To receive credit for this assignment, go to Assignments and find the folder entitled Daily Questions. Inside that folder, you'll find a folder entitled Section 1. Once you're in that folder, click on the link that says **National Output-Day 7** and complete the assignment. When you are finished, you may submit. Remember that the deadline for submitting this Day 7 Daily Question assignment is Friday, February 3, at 9:00pm.*

1. Which of the following is deducted from National Income to get Personal Income:
 - a. personal taxes
 - b. transfer payments
 - c. indirect business taxes
 - d. income currently earned, but not yet received
 - e. income received, but not currently earned

2. What is deducted from Gross Investment to get Net Investment:
 - a. income taxes
 - b. depreciation expenditure
 - c. the purchase of all existing shares of stock
 - d. foreign direct investment (i.e. investment from other countries in our country)
 - e. none of the above

3. Which of the following is the best explanation of a transfer payment:
 - a. a transfer payment is money paid to employers who relocate in other areas of the country
 - b. a transfer payment is money paid out as a stock dividend to shareholders
 - c. a transfer payment is income redistributed by government from one individual to another individual
 - d. a transfer payment is the method by which government pays bills for different services