



What is your question?



Absolute taxable capacity

- The absolute taxable **capacity of an individual** is the difference between his income and expenditure.
- The taxable capacity of a company is shown by the **difference between total production and total consumption** by the people in the economy

Relative taxable capacity

- The relative taxable capacity **refers to the amount or proportion of taxes** that are contributed by two taxpayers for meeting a common expenditure
- The relative approach of taxable-capacity **helps the government on allocating the taxes** for different communities according to their ability to pay.

USE THE APP

