

## Subject - matter of Public Finance

Public Finance is that science which has relation with Governments income and expenditure. But, in modern time, its area and importance has been expanded. Modern political thinkers have divided it into following departments. Public Expenditure, Public Income, Public Debt and problems of Government Treasury in complete sense, such as Financial Administration. The precise details of these departments are as follow—

- (1) **Public Revenue** - In this department, analyze and synthesis of receiving of public income and ideas of its expansion, rules of revenue and its other problems take place.
- (2) **Public Expenditure-** This department of Public Finance studies the principles of Public Expenditure and its effect on country's financial life such as production distribution and its effect on various categories.
- (3) **Public Debt** – Under this department, it is studied that why we bring Public debt, how we bring them, what is their mode of payment and their effect on society.
- (4) **Financial Administration** - In this branch of Public Finance, methods of Administrative Control and the problems related to the preparation of budget is studied and analyzed.

**Bastable** has especially emphasized on the need and importance of revenue of this department. According to him, no book of finance can be considered complete unless it studies the problems of Public Administration and Budgeting.