



Business Management  
Chapter 7 – Legal Aspects of Business

(A) False Advertising, (B) Licensing, (C) Building Codes, (D) Regressive Tax, (E) Progressive Tax, (F) Proportional Tax, (G) Trademark, (H) Cookies, (I) Real Property Tax, (J) Personal Property Tax, (K) Public Franchise, (L) Assessed Valuation, (M) Income Tax, (N) Information Liability, (O) Bankruptcy, (P) Price Discrimination, (Q) Copyright, (R) Interstate Commerce, (S) Intrastate Commerce, (T) Zoning, (U) Property Tax, (V) Excise Tax, (W) Monopoly, (X) Sales Tax, (Y) Patent.

1. \_\_\_\_\_ Exists when only one company provides a product or service without competition from other companies.
2. \_\_\_\_\_ Setting different prices for different customers.
3. \_\_\_\_\_ Advertising that is misleading in some important way, including the failure to reveal facts about possible results from using the advertised product.
4. \_\_\_\_\_ Legal process that allows the selling of assets to pay of debts.
5. \_\_\_\_\_ An agreement in which the federal government gives an inventor the sole right for 20 years to make, use, and sell an invention or a process.
6. \_\_\_\_\_ Similar to a patent in that the federal government gives an author the sole right to reproduce, publish, and sell literary or artistic work for the life of the author, typically, plus 70 years.
7. \_\_\_\_\_ A distinguishing name, symbol, or special mark placed on a good or service that is legally reserved for the sole use of the owner.
8. \_\_\_\_\_ The responsibility for physical or economic injury arising from incorrect data or wrongful use of data.
9. \_\_\_\_\_ Files of information about the user that some Web sites create and store on the user's own computer.
10. \_\_\_\_\_ Defined as business operations and transactions that cross state lines, such as products that are produced in one state and sold in other states.
11. \_\_\_\_\_ Defined as business transacted within a state.
12. \_\_\_\_\_ Way to limit and control those who plan to enter certain types of businesses.
13. \_\_\_\_\_ contract that permits a person or organization to use public property for private profit.

14. \_\_\_\_\_ Local governments regulate business which control physical features of structures.
15. \_\_\_\_\_ Regulations specify which land areas may be used for homes and which areas may be used for different types of business.
16. \_\_\_\_\_ Sometimes called a flat tax, on in which the tax rate remains the same regardless of the amount on which the tax is imposed.
17. \_\_\_\_\_ A tax based on the ability to pay. The more you make the more you pay.
18. \_\_\_\_\_ Actual tax rate decreases as the taxable amount increases.
19. \_\_\_\_\_ Tax on the profits of the business and on earnings of individuals.
20. \_\_\_\_\_ Tax levied on the retail price of goods and services at the time they are sold.
21. \_\_\_\_\_ Tax applied only to selected goods or services, such as cigarettes and gasolie.
22. \_\_\_\_\_ Tax on material goods owned.
23. \_\_\_\_\_ Tax on real estate.
24. \_\_\_\_\_ Tax on possessions that are movable, such as furniture, machinery, and equipment.
25. \_\_\_\_\_ Value of property determined by tax officials.

### **Questions**

26. Sherman Act:

27. Clayton Act:

28. Robinson-Patman Act:

29. Wheeler-Lea Act

30. Federal Agencies (5):

31. Product Liability:

32. Reasons for taxes 1. \_\_\_\_\_ 2. \_\_\_\_\_

33. Three Most Common Types of Taxes: 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_