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Reg. No. :

Name :

Seventh Semester B.A. LL.B./B.Com. LL.B./B.B.A. LL.B. (Five Year Integrated) Degree Examination, June 2022.

Paper III : PRINCIPLES OF TAXATION LAW

(2018 Admission)

Time : 3 Hours

Max. Marks : 80

PART – A

I. Answer any five questions not exceeding 50 words each. Each question carries 2 marks.

1. Indirect tax.
2. Assessment Year.
3. Financial Year
4. Define person
5. Deferred tax
6. Slump Sale
7. Corporate Taxes

(5 × 2 = 10 Marks)

P.T.O.

PART – B

- II. Answer any **four** questions in not exceeding 120 words each. Each question carries 4 marks.
1. What is the Securities Transaction Tax?
 2. Distinguish between 'tax evasion' and 'tax avoidance'.
 3. Write a note on Toll and Cess.
 4. Explain the merits of indirect taxes.
 5. What are the objectives of Tax Planning?

(4 × 4 = 16 Marks)

PART – C

- III. Answer any **four** questions. Each question carries 6 marks.
1. State imposed Land revenue at a flat rate on land without taking into account the productivity of the soil. It was argued that there is no reasonable basis behind the classification made by it, or if the same class of property, similarly situated, is subject to unequal taxation. Decide.
 2. The schedule of the Act laid down a list of items taxable under the head of "Materials used for road construction and repair". Zinc Oxide was of the items mentioned in the list. The assessee contended that zinc oxide was not a material used for road construction or repair. Advice.
 3. The assessee claimed that sugarcane is a 'green-vegetable' for the purpose of tax exemption under the Bihar Sales Tax Act. The authorities held that though sugarcane is a 'green-vegetable' botanically yet it cannot be treated as a green vegetable in its popular meaning. Hence, it is taxable. Decide.
 4. The State of Rajasthan had levied a tax on motor vehicles (Rs.60 on a motor car and Rs. 2000 on a goods vehicle per year) used within the state in any public place or kept for use in the state. The validity of the tax was challenged. Taking the view that freedom of trade and commerce under Art. 301 should not unduly cripple state autonomy, and that it should be consistent with an orderly society. Advice.

5. To reduce tax payable, Mr. Sinha, a resident individual, paid Rs.55,000 as life insurance premium on the policy of his minor son. Assuming Mr. Kunal does not opt for concessional tax regime u/s 115BAC of the Income tax Act, 1961. Whether the said act is considered as tax planning or tax management or tax evasion or tax avoidance. Decide.

(4 × 6 = 24 Marks)

PART – D

IV. Answer any **three** questions. **Each** question carries **10** marks.

1. What are the basic and additional conditions for Resident and ordinarily resident (ROR)?
2. Describe the purpose of Taxation.
3. Explain canons of taxation and its impact on administration and collection of Revenue.
4. Explain the recommendations of the direct taxation enquiry committee to curb the problem of tax evasion.

(3 × 10 = 30 Marks)

