

2021

TAXATION LAW

Fourth Paper

Full Marks : 80

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

*Answer **any five** questions.*

Group – A

(Income Tax)

*Answer **any three** questions.*

1. (a) State whether the following statements are 'true' or 'false': 1×8
 - (i) Casual income is altogether exempted from taxation.
 - (ii) Resjudicata or Estoppel principle is applicable in taxing statute.
 - (iii) VAT is an ideal Example of Direct Tax.
 - (iv) Any income from Provident Fund is wholly exempted from Income Tax.
 - (v) City Compensatory Allowance is fully taxable.
 - (vi) Any sum received under keyman Insurance Policy including bonus is chargeable under the head income from other sources.
 - (vii) Previous year is also termed as Uniform Previous Year.
 - (viii) University of Calcutta is a natural person.
- (b) How would you determine the Residential Status of an individual under the Income Tax Act, 1961? 8
2. (a) Define and discuss the following under the Income Tax Act: 2×4
 - (i) Person
 - (ii) Assessee
 - (iii) Assessment Year and Previous Year
 - (iv) AOP and BOI.
- (b) Define Income. What are the various Heads of Income under the Income Tax Act? Distinguish between Heads of Income and Sources of Income. 2+2+4

Please Turn Over

3. (a) What do you mean by 'Income Exempt from Tax'? State eight incomes which are entirely exempt from Income Tax. 8
- (b) What do you mean by 'Income from other Sources'? Give eight examples of Income from other sources. 8
4. (a) "A Revenue Receipt is Taxable as Income, unless is expressly exempt under the Income Tax Act, whereas the 'Capital Receipt' is generally exempt from Tax, unless it is expressly taxable." — Discuss. 8
- (b) Distinguish between Capital Receipt and Revenue Receipt. 8
5. (a) Discuss the provisions under the Income Tax Act, 1961 relating to furnishing return the following situations: 2×4
- (i) Return on Computer Readable Media
- (ii) Return of Loss
- (iii) Revised Return
- (iv) Belated Return
- (b) What do you understand by Permanent Account Number? Discuss the procedure for allotment of this number and its use. 8
6. (a) Define self Assessment of Income. What is Income Escaping Assessment? 4+4
- (b) What is "Best Judgment Assessment"? What remedies are available against Best Judgment Assessment? 8

Group – B**[West Bengal Value Added Tax (VAT)]**

Answer *any one* question.

7. (a) Define 'VAT'. Discuss the advantages and disadvantages of VAT System. 2+6
- (b) Distinguish between VAT and Sales Tax. 4
- (c) What is Input Tax Credit? 4
8. (a) Define and explain the following concepts under the West Bengal VAT Act: 2×4
- (i) Business
- (ii) Casual Dealer
- (iii) Goods
- (iv) Zero Rated Sale.
- (b) Discuss the provisions relating to Registration of a Dealer under the West Bengal VAT Act. Under what circumstances the registration can be cancelled? 8

Group – C
(Service Tax)

Answer *any one* question.

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| 9. | (a) What do you mean by 'Service Tax'? — Explain. | 4 |
| | (b) Explain the salient features of the structure of Service Tax in India. | 8 |
| | (c) Distinguish between Commodity Tax and Service Tax. | 4 |
| 10. | (a) Define 'Service'. What do you mean by 'Declared Service'? | 4+4 |
| | (b) Specify the Services not taxable in India. | 8 |
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