2012

Time: 3 hours

Full Marks: 80

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

The questions are of equal value.

Answer any four questions in which Q. No. 1 is compulsory.

1. Select the correct answer from the given alternatives:
   (a) What is the rate at which wealth tax is chargeable in India?
      (i) 1%
      (ii) 2%
      (iii) 5%
      (iv) 7%
   (b) Following is not a capital receipt:
      (i) Dividend on Investment

JE – 3/2 (Turn over)
(ii) Bonus Shares
(iii) Sales of know-how
(iv) Compensation received for vacating business places

(c) A NRI returning to India is given exceptions from wealth tax for how many years from the date of his returning back to India?
   (i) 3 years
   (ii) 5 years
   (iii) 7 years
   (iv) 9 years

(d) Income received in India in previous year is taxable in the hands of:
   (i) Resident
   (ii) Not-resident
   (iii) Non-ordinarily resident
   (iv) All of the above

(e) On the basis of the method of collection, VAT is calculated on ______ basis.
   (i) Invoice based
   (ii) Account based

JE – 3/2 (2) Contd.
(iii) Both (i) and (ii)
(iv) None of the above

(f) The following is exempt income:

(i) Travel concession to employee
(ii) Remuneration received for valuation of answer script
(iii) Encashment of leave salary whilst in service
(iv) Perquisites in India

(g) Which of the following is a mode of levy of custom duties?

(i) Specific Duties
(ii) Advalorem Duties
(iii) Compound Duties
(iv) All of the above

(h) The following is not taxable as income under the head 'salary':

(i) Commission received by a full-time director
(ii) Remuneration received by a partner
(iii) Allowances received by an employees
(iv) Free accommodation given to an employee

JE – 3/2

(3)
(Turn over)
(i) Advalorem custom duty is imposed _____
of a commodity imported or exported.

(i) Unit
(ii) Total Value
(iii) Both (i) and (ii)
(iv) None of the above

(i) Capital gains account scheme was
introduced in ________.

(i) 15,000
(ii) 25,000
(iii) 35,000
(iv) 45,000

2 Check the structure of business taxes in India.
Also, state the salient features of Capital Gains Tax.

3. Explain the role of customs in trade facilitation.
What are the objectives of custom duties? Also,
state the modes of levy of custom duties. Explain
the declining nature of custom duties.

4. Elaborate the Central Excise Licencing
Procedure. Define amalgamation and mergers
by giving suitable examples.

JE - 3/2 (4) Contd.
5. Write short notes on the following:
   (a) Wealth Tax
   (b) Value Added Tax

6. Give an overview on Corporate Tax. Also, throw some light on taxation of firms.

7. How tax planning is different from tax evasion.

8. What are the important provisions in Income Tax Act? Explain the concept of advance payment of tax.