

Total number of printed pages-5

19(3-V) PRTL 5-3

2015

PRINCIPLES OF LAW OF TAXATION

Paper : 5-3

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. (A) Choose the appropriate answer :

1×10=10.

(a) Indirect taxes are ordinarily _____ (progressive / regressive) in nature.

(b) Article _____ of the Constitution of India says that no tax shall be levied or collected except by authority of law. (265/370/ 389)

(c) Income tax is imposed on the _____ of previous year of a person. (Net income/ Total income/ Gross income)

Contd.

- (d) Tax deducted at source (TDS) is required to be paid to the credit of _____ (Central Government/ State Government/ Central Board of Direct Taxes)
- (e) In case of income from a self occupied property, the annual value of one house is taken as _____ (Nil/ standard rent).
- (f) Wealth tax is charged for every assessment year in respect of _____ (Net asset / net wealth) of an assessee.
- (g) Any remuneration and interest on capital received by a partner from a firm engaged in agricultural operation is agricultural income. (True/ false).
- (h) Holder of an impartible estate shall be (owner/ be deemed to be owner) of all the properties comprised in the estate under the Wealth Tax Act 1957.
- (i) For not registering under CST Act where required to be registered is punishable with imprisonment upto _____ (6 months/ 9 months).

- (j) The aim of Assam Shops and Establishment Act is to regulate _____. (the shops and commercial establishment/ conditions of employment).

1. (B) Answer the following : 2×5=10
- (a) What is 'canon of equity' ?
- (b) Who is an 'assessee' under the Income Tax Act, 1961 ?
- (c) What is a 'financial year' and an 'assessment year' ?
- (d) What is a 'valuation date' ?
- (e) What are 'goods' under the Central Sales Tax Act, 1956 ?
2. What is tax and distinguish it from a fee ? Distinguish between a direct and an indirect tax with suitable illustrations. 4+8=12

Or

"No tax shall be levied or collected except by the authority of law"—Explain this constitutional provision with the help of decided cases. 12

3. Explain the brief history of Income tax in India along with the scope of income tax in India. What are the different heads of income for chargeability to tax under the Income Tax Act 1961? 8+4=12

Or

What do you understand by the expression 'Residential Status of Assessee'? Discuss with suitable illustrations, the rules relating to the determination of residential status of an assessee under the Income Tax Act, 1961. 2+10=12

4. Discuss the following citing appropriate provisions of the Wealth Tax Act, 1957 :

4+4+4 =12

- (a) Net Wealth
(b) Persons liable to pay wealth tax
(c) Exempted Assets

Or

Who are the authorities to collect and levy wealth tax in India? Discuss their power and functions. 12

5. Differentiate between an 'inter-state sale' and an 'intra-state sale'. Discuss when a sale or purchase of goods is deemed to have taken place in the course of inter-state trade and commerce. 4+8=12

Or

What are 'declared goods'? What restrictions are imposed on the levy of tax on 'declared goods' under the Central Sales Tax Act, 1956. ? 4+8=12

6. What was the object and background of introduction of agricultural income tax in India? Who are the authorities to collect and levy agricultural income tax under the Assam Agricultural Income Tax Act, 1939?

6+6=12

Or

Discuss the concept of 'agricultural income' with illustrations? Explain provisions of the Assam Agricultural Income Tax Act, 1939 relating to the charge of agricultural income tax. 4+8=12