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Name.....

Reg. No.....

**FIFTH SEMESTER LL.B. UNITARY (THREE YEAR) DEGREE
EXAMINATION, JUNE 2018**

CP 22—LAW OF DIRECT TAXATION

(2015 Admissions)

Time : Three Hours

Maximum : 75 Marks

Part A

Answer any five questions.

Each question carries 6 marks.

1. What are the Canons of Taxation ?
2. 'No tax shall be levied or collected except by authority of law'. Explain
3. Distinguish between Progressive and Proportional methods of Taxation.
4. Write a note on Filing of Returns.
5. Define Assessee under The Income Tax Act.
6. What is meant by Capital Gains ?
7. Briefly examine 'Deemed Assets' under Wealth Tax Act.
8. What is meant by Clubbing of Income ?

(5 × 6 = 30 marks)

Part B

Answer any two questions.

Each question carries 10 marks.

1. ABC Co is a company incorporated in US and doing business in India. The company is managed from US. The company has foreign as well as Indian income in India. Determine the residential status and incidence of tax of the company in India.
2. A owns debentures of X Co. worth Rs. 1 Lakh with 10 percentage annual interest. On 1st April 2016 A transfers the interest income to B, his relative, without transferring the ownership of the debentures. During 2016-17, interest income of Rs. 10,000 is received by B. Decide the tax liability of A and B in respect of the interest income.

Turn over

3. Salary of X is Rs. 20,000 per month. On 1st March 2016, he gets the salary of the next two months in advance. On 10 March he received a sum of Rs. 50,000 as arrears of salary pertaining to 2001-2002 previous year which was not taxed during that year. What is his total taxable salary ?

(2 × 10 = 20 marks)

Part C

Answer any two questions.

Each question carries 12½ marks.

1. Discuss the provisions under the Income Tax Act which deals with the determination of Residential Status of an assessee.
2. How income from House property is charged under the Income Tax Act ?
3. State briefly the provisions of the Wealth Tax Act under which the Wealth Tax is charged on an assessee.

(2 × 12½ = 25 marks)

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Name.....

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**FIFTH SEMESTER L.L.B. (THREE YEAR UNITARY) DEGREE
EXAMINATION, APRIL 2019**

CP 22—LAW OF DIRECT TAXATION

(2015 Syllabus Year)

Time : Three Hours

Maximum : 75 Marks

Part A

Answer any five questions.

Each question carries 6 marks.

1. What is meant by Progressive Taxation ?
2. Write a note on Wealth Tax Authorities.
3. Define Agricultural Income.
4. How to determine the Residential status of a Hindu Undivided Family ?
5. What is Tax Planning ?
6. Briefly state the deductions available from salaries.
7. Examine the incidence of Tax in the case of Resident and Ordinary Resident Assesses.
8. Briefly discuss the historical evolution of Income tax law in India.

(5 × 6 = 30 marks)

Part B

Answer any two questions.

Each question carries 10 marks.

1. Mr .A is a Government employee having Rs. 10 Lakhs salary. He invested Rs.2 Lakhs in Provident Fund and took a Health Insurance for a premium of Rs. 10,000. He got House Rent Allowance of Rs. 50,000 which is included in his total salary. He is entitled to claim deduction of whole House Rent Allowance. Calculate his Income tax liability for Assessment year 2017-2018.
2. Central Government has enacted a law to exempt the North Indians from payment of Income Tax. Decide the validity of the enactment.
3. 'A' is an Indian citizen who leaves India during the previous year for the purpose of employment outside India. He was in India for a period of 61 days during the previous year and 450 days during 4 years immediately preceding the previous year. Determine his Residential status.

(2 × 10 = 20 marks)

Turn over

Part C

*Answer any two questions.
Each question carries 12½ marks.*

1. Examine the Constitutional Provisions dealing with the Taxation.
2. What is meant by Capital Gains ? Examine briefly the method of Calculation of Tax on income from Capital Gains.
3. Who is liable to pay wealth tax and discuss the different types of deemed assets covered under Wealth Tax Act.

(2 × 12½ = 25 marks)