



K16P 1058

Reg. No. :

Name :

Third Semester M.A./M.Sc./M.Com. Degree (Reg./Supple./Imp.)

Examination, November 2016

COMMERCE

COM 3C14 : Wealth Tax and Indirect Taxes

(2014 Admission Onwards)

Time : 3 Hours

Max. Marks : 60

SECTION – A

Answer **any four**. Each carries 1 mark for part (a), 3 marks for part (b) and 5 marks for part (c).

1. a) Define Net Wealth.
b) What items of wealth are exempt from wealth tax ?
c) The building is situated on a free hold plot of 18000 Sq.ft. The Floor Space Index (FSI) permissible is 2. The built up floor area is 32000 Sq.ft. The net maintainable rent is Rs. 50,000 per annum. Find out the value of the building.
2. a) What is Special Excise Duty ?
b) Explain in brief the procedure for removal of excisable goods from factory under Central Excise Act, 1944.
c) A manufacturer appointed a broker to sell his products. The broker is entitled to commission @ 5% on gross selling price. The manufacturer sells goods Rs. 500 per unit and allows discount @ 20% to wholesale dealers. The selling price includes VAT @ 10% and Excise duty @ 12.5%. Determine the assessable value of goods per unit.



3. a) Define Baggage.
b) Write a short note on clearance from warehouse under Customs Act, 1962.
c) From the following particulars calculate the customs duty payable.
- 1) Assessable value of imported goods Rs. 1,50,000.
 - 2) Basic customs duty payable @ 10%.
 - 3) The imported goods are also produced in India. But they are exempted from Excise duty.
 - 4) The exporting country has subsidised the seller Rs. 30,000.
 - 5) SAD @ 4% and Education Cess @ 3% is charged.
4. a) What do you mean by point of Taxation ?
b) What are the provisions of Service Tax Registration ?
c) Explain the features of Service Tax.
5. a) What do you mean by value addition ?
b) What are the major advantages of VAT ?
c) Input worth Rs. 1,00,000 is purchased and sales are worth Rs. 2,00,000 in a month. Input tax rate and output tax rate are 4% and 12.5% respectively. Calculate VAT payable during the month after set off.
6. a) State the penalty for failure to pay Service Tax.
b) Explain the role of customs duty in International Trade.
c) Explain the fundamental features of CENVAT scheme 2004. (4×9=36)

SECTION – B

Answer any two. Each carries 12 marks.

7. How would you determine the assessable value of goods for computation of customs duty ? What are its ingredients ?

OR

Explain the administrative set-up of Central Excise in India. Also explain the powers of board of Central Excise and Customs.



8. Mr. X is a practicing C.A. His receipts from various professional services for the quarter ended 30th Sept. 2015 are as under :

	Rs.
Taxation consultancy fees	4,26,250
Remuneration for account services	1,12,960
Statutory audit fees	2,65,700
Certification fees	1,45,600
Remuneration as internal auditor job Performed in a public limited company	1,58,300
Fees for appearing in appeals	1,47,400
Mr. X also teacher at a coaching centre as a visiting faculty	1,43,200
Mr. X also got reimbursed out of socket expenses on actual basis from his clients	85,900

He also incurred total expenditure of Rs. 3,15,000 as establishment expenses of his office during the period.

Calculate the value of taxable service and also the service tax payable.

Mr. X charges service tax separately in the bills raised hence the above receipts are not inclusive of service tax.

OR

A resident H.U.F. has given the following information about the assets and liabilities for the AY 2015-16.

- 1) Karta transferred to his unmarried minor daughter - a car and jewellery valued as valuation date Rs. 4,00,000 on 10th Jan. 2015.
- 2) One house at Indore for residential purpose Rs. 17,40,000.
- 3) Motor cars valued at Rs. 10,00,000.
- 4) Cash at Bank Rs. 90,000.
- 5) Jewellery Rs. 33,00,000.
- 6) Debtors Rs. 1,95,000.
- 7) Gold deposit bonds Rs. 15,00,000 compute net wealth and wealth tax liability.

(2×12=24)