Seat No:_____ Enrolment No:_____

PARUL UNIVERSITY

FACULTY OF LAW

LL.B Winter 2023 – 24 Examination

Semester: V **Date: 13-10-2023**

Subject Code: 17100305 **Time: 10:30am to 01:00pm**

Subject Name: Principles of Taxation Law **Total Marks: 60**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1	**Do as directed.** (MCQ, True or False, Definitions, Explain terms) (1 marks each. All Compulsory)	**(15)**
	1. Income Tax is imposed by. (a) State Government (b) Central Government (c) Both of the above (d) Constitution of India	
	2. Section 24 (a) prescribes the standard deduction from NAV of a sum equal to? (a) 33% of NAV (b) 30% of NAV (c) 1/3rd of NAV (d) Actual cost of repairs	
	3. Which Entry of Union List gives the power to Parliament to levy tax on incomes? (a) Entry 81 of List I to Seventh schedule (b) Entry 81 of List II to Seventh schedule (c) Entry 82 of List I to Seventh schedule (d) Entry 82 of List II to Seventh schedule	
	4. Highest Administrative Authority for Income Tax in India is. (a) Finance Minister (b) CBDT (c) President of India (d) Director of Income Tax	
	5. Income-tax Act, 1961 applies to. (a) Whole of India (b) Whole of India excluding J&K (c) Maharashtra (d) All of the above	
	6. The rate of depreciation on Intangible property (a) 20% (b) 25% (c) 100% (d) Nil	
	7. Which of the following income is not included in the term 'income'? (a) Profit & gains (b) Dividend (c) Profit in lieu of salary (d) Reimbursement of travelling expenses	
	8. Which of the following conditions need to be satisfied in order to tax any income under the head Income from house property? (a) The property must consist of building or land thereto. (b) The assessee must be the owner of such house appurtenant property. (c) The property must not be used for business or profession carried on by assessee. (d) All of the above.	
	6. **Which of the following conditions are to be fulfilled for charging an income under the head profits and gains of business or profession** (a) There should be profits and gains. (b) Business or profession must be carried on by the assessee. (c) Business or profession should be carried on at any time during previous year. (d) All of the above	
	10. As per Section 15 of the Income-tax Act, Salary is taxable on: (a) Due basis	

	(b) Receipt basis (c) Due or receipt basis, whichever is earlier (d) As per the method of Accounting followed by assessed.	
	11. The most fundamental requisite for charging income under the head "Salaries" is: (a) Full time employment (b) Regular monthly payments (c) Employment tax should be paid (d) Employer -Employee relationship	
	12. Whose income is taxable under the head "Salaries" despite no employer-employee relationship? (a) Member of Parliament (b) Partners of a Firm (c) Professors of college receiving remuneration from university (d) Remuneration received by High Court and Supreme Court Judges.	
	13. Dividend received from a foreign company is charged to tax under the head _. (a) Profits and gains of business or profession (b) Capital gains (c) Income from other sources (d) Income from salaries	
	14. In which of the following situation, Salary will not be taxable: (a) If there is part-time employment (b) If employee foregoes his salary (c) If employee surrenders his salary to the Central Government under specific scheme (d) If salary is paid by the employer tax- free	
	15. "Salary" under section 17(1) includes the following, except: (a) Wages (b) Annuity or Pension (c) Transferred balance to recognised provident fund (d) Advance Salary	
Q.2	**A) Write short notes on (Each of three mark)**	**(15)**
	1. 80U	
	2. Difference between Direct Taxes and Indirect Taxes	
	3. Short term and Long term capital gain	
	4. Mixed supply and Composite supply	
	5. Special and additional custom duty	
Q.3	**A)** Discuss the provision of set off & carry forward of losses under Income Tax Act, 1961	**(08)**
	OR	
	A) "All Assessee are Person but all Person are not Assessee." Justify	**(08)**
	B) Discuss any ten fully exempted Income.	**(07)**
	OR	
	B) Explain Clubbing provisions under Income Tax Act,1961	**(07)**
Q.4	**A)** Mr. Patel, a Non-Resident, residing in Pakistan since 2002 came to India on 19.02.2021 for permanent settlement in India. Explain his Residential Status for AY 2023-24.	**(07)**
	B) Answer the following (short questions with option) (Each of two mark)	**(08)**
	1. State tax treatment of Allowance received by an employee from an employer.	
	2. Supply under GST	
	3. Term Gift.	
	4. Define Capital Assets 5. Term Depreciation	