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K19P 1141

Reg. No. :

Name :

III Semester M.Com Degree (CBSS-Suppl.)
Examination, October - 2019
(2014-16 Admissions Onwards)
COM3C14 - WEALTH TAX AND INDIRECT TAXES

Time : 3 Hours

Max. Marks : 60

SECTION-A

Answer any four questions in this section.

Each question carries 1 mark for Part (a). 3 marks for Part (b) and 5 marks for Part (c) (4 x 9=36)

1. a) Explain the term Residence and Citizenship.
b) What wealth belonging to others is included in the net wealth of an Individual?
c) Explain the provisions relating to asset of escaped wealth.
2. a) What do you mean by Central Excise and Salt Tax ?
b) Who are the persons required to get themselves to be registered under Central Excise Act?
c) Differentiate excisable goods and penalties under Central Excise Act.
3. a) Explain E-Payment of Service tax.
b) What do you meant by Abetment and Exemption?
c) XYZ service was made taxable w.e.f 12-05-2010. Contract for providing Service was entered into prior to the effective date i.e. 12.05.2010. Bill has been raised and the value in full received from the customer prior to 12.05.2010. However, services were rendered after 12.05.2010 is the services taxable?
4. a) What do you mean by Notified goods? Give two example
b) What are the difference between customs duty and excise duty?

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- c) List out the merits and demerits of customs duty.
5. a) Explain Input tax credit.
b) What are the features of VAT system in India?
c) Explain the term 'Dealer' under VAT.
6. a) Who is an Assessee under VAT?
b) Explain the procedure for getting registration of a dealer under VAT.
c) Mr. Anil, a registered dealer of hardwares effected the following sales during the month of October 2018.
i) Rs. 60,00,000 (VAT rate 14.5%)
ii) Rs. 10,00,000 (VAT rate 5%)
iii) Rs. 1,00,000 (Agricultural tools, Locally made)

During the month he has paid VAT Rs. 6,00,000 on goods purchased within Kerala. He purchased goods from unregistered dealers for which he is liable to pay purchase tax Rs. 8000. However he is liable for a special rebate of Rs. 30,000 (for purchase tax paid and advance tax paid on entry of goods into the state). He used goods of Rs. 40,000 (of 5%) for his own domestic requirements. Calculate the net tax payable by Mr. Anil for the return period.

SECTION B

Answer any **Two** questions in this section. Each question carries **12** marks.
(2×12=24)

7. a) X Ltd engaged in construction of residential flats:
- Land in urban area (constructions not permissible as per municipal laws in force) Rs. 35 lakhs.
 - Motor cars (used in business of running them on hire) Rs. 7,00,000
 - Jeweler Rs. 15,00,000. Loan taken for purchasing this Rs. 10,00,000
 - Cash balance (as recorded in books) Rs. 2,25,000
 - Bank balance Rs. 3,50,000
 - Guest house Rs. 6,00,000
 - Residential flats occupied by the Managing Director Rs. 10,00,000. The M.D is on a whole time appointment and is drawing a salary of Rs. 3,00,000 per month.



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- Residential house were let out on hire for 200 days of Rs. 8,00,000 compute taxable wealth on 31 March.

(OR)

- b) Sidharth Ltd gives the following particulars relating to the services provided to various clients by them for the half year ended on 30.9.2010
- Total bills raised were for Rs.15,00,000.A bill worth Rs.1,00,000 was raised on an approved International Organisation.Bill payments for Rs.3,00,000 relating to current year were not received till 30.9.2010.

A sum of Rs.4,50,000 relating to last year was received on September 2010.

- Amount of Rs. 2,70,000 was received as an advance from Omega Ltd on 25.09.2010 to whom the services were to be provided in October 2010. You are required to calculate:
 - i) Taxable value of services
 - ii) Amount of service tax payable.
8. a) When should a dealer take registration under VAT Act? Explain the procedure for registration.

(OR)

- b) Explain how the valuation of excisable goods are done.
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