Seat No.: _____ Enrolment No._____

# GUJARAT TECHNOLOGICAL UNIVERSITY

**MAM - SEMESTER–III • EXAMINATION – WINTER • 2014**

**Subject Code: 4130504 Date: 08-12-2014**

**Subject Name: Elements of Direct and Indirect Taxes**

**Time: 10:30 am - 01:30 pm Total Marks: 70**

**Instructions:**

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

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|---|---|---|---|
| **Q.1** | **(a)** | Define the following terms: (a) Assessment Year; (b) Previous Year; (c) Person; and (d) Income | **07** |
| | **(b)** | What will be the residential status of individuals mentioned under following two cases for AY 2013-14?<br>(i) Mr. Dhoni left India for the first time on 29-06-2012 for employment.<br>(ii) Mr. Jadeja is residing in Canada but he is a person of Indian origin. Since the year 1999-2000, every year he comes to visit India for a period of 100 days. | **07** |
| **Q.2** | **(a)** | What are the various heads of income? How GTI is calculated for individual? | **07** |
| | **(b)** | What do you mean by 'Allowances' and 'Perquisites'? What is the difference between them? List out any three allowances and any three perquisites available to employees. | **07** |
| | | **OR** | |
| | **(b)** | Explain the meaning of Salary as per Section 17 (1). Explain in detail various incomes to be included in Gross Salary. | **07** |
| **Q.3** | **(a)** | What is Annual Value u/s 23(1) (a)? Explain the process of computation of annual value of a house property. | **07** |
| | **(b)** | Explain the meaning of Business and Profession u/s 2 (13) and 2(36). Explain any four general principles for computing business income in detail. | **07** |
| | | **OR** | |
| **Q.3** | **(a)** | Explain the basis of charge of capital gain u/s 45 (1). Explain short term capital asset as per sec. 2 (42A), and Long term capital asset Sec. 2 (29A). | **07** |
| | **(b)** | Explain any seven deductions available in computing total income u/s 80C to 80U in detail. | **07** |
| **Q.4** | **(a)** | What do you mean by service tax? Explain in detail. What are the service tax rate applicable from 1st April, 2012? | **07** |
| | **(b)** | What is VAT? Explain the advantages and limitations of VAT. | **07** |
| | | **OR** | |
| **Q.4** | **(a)** | Give the definitions of: (i) Dealers; (ii) Goods; (iii) Resale; and (iv) Turnover of Sales | **07** |
| | **(b)** | Explain the services that are excluded from service tax. | **07** |
| **Q.5** | **(a)** | Under which conditions service tax registration is required? Explain the process of service tax registration. | **07** |
| | **(b)** | Define: (i) Business; (ii) Importer; (iii) Sales; and (iv) Services | **07** |
| | | **OR** | |
| **Q.5** | **(a)** | Distinguish between Direct Tax and Indirect Tax. | **07** |
| | **(b)** | Explain any seven services included in negative list (outside the scope of service tax) | **07** |

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