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Reg. No.....

Name.....

**B.A., LL.B./B.B.A., LL.B./B.Com., LL.B. (HONS.) DEGREE EXAMINATION
APRIL 2023**

Eighth Semester

F.L. 25—PRINCIPLES OF TAXATION LAW

(2018 Admissions—Regular)

Time : Three Hours

Maximum : 75 Marks

Part A

Write short notes on any five of the following.

Each question carries 3 marks.

1. Sovereign right to taxation.
2. Taxation laws and Fundamental Rights.
3. Importance of Annual Finance Act in the law of income taxation.
4. Preferential tax treatment of Capital Gains.
5. Scrapping of Income-Tax Settlement Commission.
6. GST Council.

(5 × 3 = 15 marks)

Part B

Answer any three of the following problems.

Each question carries 10 marks.

7. State, with reasons, whether the following are agricultural income or not in the hands of the recipient :
 - (a) Income from dairy farming.
 - (b) Dividend paid by a company out of its agricultural income.
 - (c) Rent received for agricultural land.
 - (d) Profits received by a partner from a Firm engaged in agricultural activities.

Turn over

8. Mr. 'A', an American citizen, returned to the US on January 30, 2018 after about 20 years of stay in India. He returns to India on June 5, 2020 to join an American company as its overseas Branch Manager. Determine his residential status for the Assessment Year 2021-22.
9. Mr. 'X', a Government employee, presently working at Kottayam which is his Home Station, and residing in own house there, submits the following particulars of his annual income : - Basic Salary Rs. 6,12,000 ; Dearness Allowance Rs. 61,200 ; City Compensatory Allowance Rs. 4,800 ; HRA Rs. 60,000 ; Contribution to GPF Rs. 60,000 ; LIC Premia Rs. 36,000 ; Premium towards Medi-claim policy Rs. 12,000. Compute his Gross Total Income for the Assessment Year 2021-22.
10. Mr. 'S' is a supplier of goods located in Delhi. In November, 2021, he has imported 'Architecture Services' from a relative consultant located in Germany, without any consideration (monetary or non-monetary) for construction of his personal house.
- (a) Will the import of architecture services for personal use be treated as 'supply' and liable to IGST ?
- (b) What will be your answer if the above services have been imported by 'S' in the course or furtherance of business ?

(3 × 10 = 30 marks)

Part C

Answer any two of the following questions.

Each question carries 15 marks.

11. Explain in detail, with the help of illustrations, the provisions of the Income-Tax Act relating to computation of income under the head 'Income from House Property'.
12. Discuss the different types of Assessment under the Income-tax Act, 1961.
13. What is 'Input Tax Credit' (ITC) ? What are the conditions to be fulfilled to get Input Tax Credit ? When the ITC is not admissible ? Describe the mechanism of input tax credit under GST with the help of illustration.

(2 × 15 = 30 marks)