

M. Com
Third Semester
Tax Planning and Management
(MCM - 13)

Duration: 3Hrs.

Full Marks: 70

Part-A (Objective) =20
Part-B (Descriptive)=50

(PART-B: Descriptive)

Duration: 2 hrs. 40 mins.

Marks: 50

1. Answer the following questions (any five)

2×5=10

- a) Write a short note on e-TDS.
- b) Explain the provisions of tax collection at source.
- c) What do you mean by "Pay as you earn scheme"?
- d) Dividend distribution tax in India
- e) What is Tax Evasion?
- f) What is Tax Avoidance?
- g) What is Reverse Merger?

2. Answer any five from the following:

5×3=15

- a) What are the due dates for payment of advance tax?
- b) What are the objectives of Tax Planning?
- c) Distinguish between Tax Planning and Tax Management.
- d) Assess Partnership Firm as a form of business organisation from taxation point of view.
- e) What do you mean by advanced tax? State four merits of advanced tax.
- f) Write any six sources of income subjected to tax deduction at source.
- g) Write a note on Tax Planning with reference to Repair.

3. Answer any five from the following:

5×5=25

- a) "Capital structure of an enterprises is affected by laws of taxation," Comment.
- b) Assess sole proprietorship form of business from tax liability point of view.
- c) "Issue of Bonus Shares to the Equity Shareholders, minimise the tax burden on company as well as shareholders": Comment
- d) Write an essay on special provision regulating tax incidence on capital gain in the case of demerger.
- e) What are the conditions must be satisfied to claim deductions in respect of profits by an undertaking engaged in development of SEZ?
- f) Write notes on tax consideration governing investment decision relating to:
 - i) Make or buy decision
 - ii) Own or lease
- h) Mention the conditions those must be satisfied to claim deduction in respect of certain undertakings in NE States u/s 80-IE.

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(The figures in the margin indicate full marks for the questions)

Duration: 20 minutes

Marks – 20

PART A- Objective Type

I. Choose the correct options from the following:

1×20=20

1. Section ----- provisions relating to carry forward and set off of accumulated loss and unabsorbed depreciation allowance in amalgamation or demerger, etc.
a) 72A b) 72 c) 72AA d) 72AB
2. Tax ----- takes into account the loopholes of law.
a) avoidance b) evasion c) both of these d) none of these
3. Tax ----- is tax omission.
a) evasion b) avoidance c) planning d) management
4. Cash dividend received from an Indian company is exempt from tax in the hands of the -----.
a) shareholder b) company c) shareholder and company d) none of these
5. Section ----- has been inserted to give income-tax concession to newly established units in Special Economic Zone.
a) 10AA b) 10AB c) 10AC d) 10IE
6. Which one of the following is not Free Trade Zone?
a) Kandla b) Santacruz c) Falta d) Guwahati
7. Tax concession is not denied u/s 10A in case where the total value of used machinery transferred to the new business does not exceed ----- per cent of the total value of the machinery used in that business.
a) 30 b) 40 c) 50 d) 20
8. The amount of deduction u/s 10AA (SEZ) = Profit of the business of the undertaking
$$\frac{\text{-----}}{\text{total turnover of the business carried on by the assessee}}$$

a) Import turnover b) Import and Export turnover
c) Domestic turnover d) Export turnover
9. The tax rate on capital gains is ----- to/than the tax rate on dividends.
a) lower b) higher c) equal d) none of these
10. Deduction u/s 80-IB in the case of newly set up industrial undertaking in an industrially backward -----.
a) State only b) District only c) State or District d) none of these

