



UNIVERSITY OF NORTH BENGAL

B.A./BBA/B.Com. LL.B. (5 yr.) General 10th Semester Examination, 2021

PRINCIPLES OF TAXATION LAW

Time Allotted: 2 Hours

Full Marks: 50

The figures in the margin indicate full marks.

Answer Question No. 7 and any four from the rest

GROUP-A

(Answer each question within 200 words)

1. Discuss the theory of Adam Smith for cannons of taxation along with its relevancy and application in the Income Tax Act, 1961. 10
2. “The terms Tax avoidance and Tax evasion are often used interchangeably, but they are very different concepts” – In the light of the above statement discuss the difference between the concept of Tax avoidance and Tax evasion with the help of illustrations and case laws. 10
3. “In computing the total income of an individual, there shall be included all such income as arises or accrues to his minor child” – Discuss the concept of clubbing of income of a minor and its exception in the light of the above statement with the help of relevant provisions of Income Tax Act, 1961. 10
4. Sunny is a foreign citizen. His father was born in Delhi in 1953 and his mother was born in England in 1954. His grandfather was born in Pakistan in 1918. He comes to attend his friends’ marriage on 9th December, 2018 and stays in India for 261 days thereafter. Determine the residential status of Sunny for Previous Year 2018-19 under Section 6 of Income Tax Act, 1961. 10

Note: Here consider, Assessment Year as 2019-20 and determine the Residential status for Previous Year 2018-19 (April 2018 to March 2019).

5. Discuss in details about taxability of Income received from Salary? 10
6. Discuss in details the advantages and disadvantages of VAT System in India in the light of recent Developments in Taxation Law in India. 10

GROUP-B

(Answer each question within 100 words)

7. Write Short Notes on the any *two*: 5×2 = 10
 - (a) Income from Capital Gain
 - (b) Speculative Business
 - (c) Taxability of Leave Encashment
 - (d) Residential Status of a company.

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