

(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 7155

Roll No.

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M.B.A.

(SEMESTER-IV) THEORY EXAMINATION 2012-13

TAX PLANNING & FINANCIAL REPORTING

Time : 3 Hours]

[Total Marks : 100

Section – A

1. Attempt all ten questions in 50 to 75 words. All questions carry equal marks. $10 \times 2 = 20$
- What do you mean by tax deducted at source ?
 - Differentiate between long and short term capital gains tax.
 - What is a Withholding Tax ?
 - Mention the new income tax slab as per Union Budget 2013.
 - Differentiate between residential status and Non-resident Indian from tax point of view.
 - What do you understand by tax appeals ?
 - What do you understand by filing of returns ?
 - What is Consumer Protection Act 1962 ?
 - Differentiate between customs and excise duty.
 - Differentiate between closely held and widely held company from wealth tax perspective.

Section – B

2. Answer any three of the following questions in not more than 200 words : $3 \times 10 = 30$
- What is tax planning ? How does it differ from tax management ?
 - What is Double Taxation ? Explain the implications of avoidance of double taxation agreements.
 - What tax incentives have to be kept in mind while selecting nature or activity of business ?
 - How tax planning can be done regarding issue of bonus shares and intercorporate dividends ?
 - Examine the provisions of tax planning regarding amalgamation of companies.



Section – C

Answer the following questions in not more than 500 words :

5 × 10 = 50

3. What tax incentives are available to a new business person who establishes his business in backward areas ? Explain the other types of business location from tax planning point of view.

OR

“The loan capital contributes to tax saving resulting a higher rate of return on owner’s equity”. Do you agree with this statement ? If not, illustrate your answer with suitable example.

4. You are the DDO of JKL limited and your top management has asked you to chalk out a comprehensive tax planning scheme for the welfare of your employees. You may submit your detailed report along with suitable examples.

OR

What are the specific provisions as concerned to depreciation and set off of losses and carry forward of losses ?

5. The incidence of income tax depends upon the residential status of an assessee. Discuss in detail.

OR

‘Compulsory acquisition of an asset under any law is not taxable as capital gains.’ Explain.

6. Discuss the tax incentives provided by the government for the promotion of exports from the country.

OR

Discuss the provisions relating to valuation of assets for the purpose of calculating Wealth tax.

7. Discuss the deductions u/s 80 from Gross Total Income which are important for tax planning.

OR

Describe the provisions regarding retirement benefits (gratuity, pension, regular pension, leave salary, compensation) under Income tax act with example.