

Roll No.

BBA-603(N)

B. B. A. (Sixth Semester) EXAMINATION, May/June, 2015

(New Course)

Paper Third

VAT AND SERVICE TAX

Time : Three Hours]

[Maximum Marks : 70

Note : Attempt questions from all Sections as directed.

Section—A

3 each

(Short Answer Type Questions)

Note : All questions are compulsory.

1. (A) What is meant by 'Goods' and 'Capital Goods' under VAT ?
- (B) Explain the cascading effect of tax.
- (C) Who is 'Dealer' under VAT law ?
- (D) What are incentive schemes under VAT ?
- (E) Compute the VAT amount payable by Mr. Manoharan who purchased goods from a manufacturer on payment of ₹ 4,16,000 (including VAT) and earned 20% profit on purchase price. VAT rate on both purchases and sales is 4%.

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- (F) How are professional tax and service tax different ?
- (G) A Ltd. a service provider invoice a sum of ₹ 30 lakhs as gross value without charging the amount of service tax. Will the service tax be payable by A Ltd., if yes what shall be the amount of service tax ? You are given that rate of service tax is 12.36%.
- (H) Explain exemptions under service tax.
- (I) What do you mean by "Export of Services" for service tax purposes ?
- (J) Who is liable to pay service tax ? Explain.

Section—B

10 each

(Long Answer Type Questions)

Note : Attempt any two questions.

2. How will you distinguish between Sales Tax and Value Added Tax (VAT) ? What are the advantages of VAT ?
3. "There are two types of registration under VAT namely Compulsory Registration and Voluntary Registration." Elucidate this statement and discuss the cases when registration can be cancelled.
4. Discuss the meaning and scope of Input Tax Credit. What are the circumstances when input tax credit is not allowed ?
5. What are the methods for computation of VAT liability ? Explain.

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Section—C

10 each

(Long Answer Type Questions)

Note : Attempt any two questions.

6. When is an activity subject to service tax ? Explain the registration procedure under service tax.
7. What do you mean by CENVAT credit ? Explain the provisions regarding CENVAT credit for service tax.
8. How can an assessee adjust excess payment of service tax against his liability of service tax for subsequent periods ? What is the basic condition for it ?
9. Write short notes on any two of the following :
 - (a) Goods and Service Tax
 - (b) Central Sales Tax
 - (c) Filing of Returns for service tax
 - (d) Computation of service tax

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