

**DEPARTMENTAL EXAMINATION OF EXCISE & TAXATION INSPECTOR
OF HIMACHAL PRADESH (February, 2007)**

PAPER-4

SALES TAX AND PRACTICE

Time Allowed:3 Hours.

Maximum Marks: 100

- Note:- 1. Attempt any FIVE questions. All question carry equal marks.
2. Only bare acts are allowed in the examination hall.
3. Quote relevant provisions of the Act and Rules in support of your answers.**

- Q.No.1 a) what are the salient features of VAT and how it is distinguishable from the Tax scheme under the H.P. General sales tax Act, 1968. (12)
b) What are the goods which are taxable at the first stage of sale under the H.P. VAT Act, 2005. (4)
c) What are the goods on which Input tax is not available on the subsequent sales. (4)

- Q.No.2 a) A registered dealer purchased the goods worth Rs.50.000/- inclusive of VAT @ 4% Workout his output tax liability and the actual vat payable keeping in view the admissibility of Input tax credit. (10)
b) A registered dealer purchased the goods from the other registered who has been enjoying the tax exemption for the un-expired period. The value of the goods Purchased is Rs.10,000/- and the freight paid is at Rs. 500/- State whether the dealer is liable to pay tax on the turnover of sales subsequently and if so, how? Please illustrate. (10)

- Q.No.3 a) what are the circumstances where the input tax claimed by the dealer is not Allowed? (10)
b) What do you mean by “reverse input tax”? Please illustrate. (10)

- Q.No.4 a) Obtaining of Security/ surety is not a matter of merely a routine but a Significant tool to safeguard the revenue interest. What precautions should be Taken while verifying the status of the surety? (12)
b) In what manner and forms the security or the additional security should be Furnished by the dealer. (8)

- Q.No.5 a) what do you mean by:-
(i) General registration Number.
(ii) Vat- registration Number.
(iii) Casual dealer.
(iv) Place of business.
(v) Small works contractors. (10)

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- b) What type of tax incentives are available to the industrial units which came into commercial production on or after 1-4-2005! Under the Himachal Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956. (10)
- Q.No.6 a) what do you mean by the Lumb Sum scheme in respect of the village Industries and what is the lumb sum tax payable by them. (10)
b) What do you mean by Entitlement Certificate. How it is granted and who is the competent authority to grant it. (10)
- Q.No.7 a) what are the rate of tax under the HPVAT ACT, 2005 on the following goods.
(i) Fuel wood and other wood of the popular trees.
(ii) Imported liquor.
(iii) Country liquor.
(iv) Petrol & Diesel.
(v) LPG for use in restaurant
(vi) Apple packing boxes.
(vii) Cement clinker
(viii) Papad.
(ix) Rpti Gajjak.
(x) Cotton & Silk yarn in hank. (1 0)
b) Explain the provisions of offences and penalties under the Central Sales Tax Act, 1956? (6)
- c) Which are the offences under which the penalty can be imposed in lieu Prosecution by the Assessing Authority under the Central Sales Tax Act, 1956? (4)
- Q.No.8 a) what are the various modes for recovery of tax under the HP VAT Act, 2005. (10)
b) What is the coeresive mode of recovery and under what law? Explain the Procedure. (10)
- Q.No.9 a) How will you determine the intention to evade the tax; illustrate with example With reference to section 34 of the H.P. VAT Act, 2005. (10)
b) Explain:-
a) Opportunity goods.
b) Capital goods
c) Tax period
d) Re-assessment of tax.
e) What particulars should contain the tax invoice? (10)
- Q.No.10 a) what categories of cases may be taken for scrutiny? (10)
b) What categories of cases may be taken as deemed assessment? (10)
