

DEPARTMENTAL EXAMINATION OF EXCISE AND TAXATION INSPECTIORS  
OF HIMACHAL PRADESH SESSION AUGUST, 2005

**Paper:4**                      **SALES TAX LAW AND PRACTICE**

**Time Allowed:3 Hours**

**Maximum Marks:100**

Note: Attempt any five questions. All questions carry equal marks.

Quote relevant provisions of the Act and Rules in support of your answers.

Book Permissible nly Bare Acts).

Q.No.1 Write short notes on the following:

- a) Reverse input Tax.
- b) Tax invoice
- c) Casual Dealer
- d) Presumptive Tax
- e) Retail Invoice

Q.No.2 a) What are the essential features of Sadbhavna Self –assessment Scheme, 2004?  
b) What procedure would you adopt while framing assessment of a casual dealer?

Q.No.3 (i) What is the rate of tax on the following goods under the H.P. VAT Act, 2005?

- a .Blankets
- b. Honey
- c. DVD CD
- d. Medical plant and equipment
- e. Cement
- f. Arms and ammunition
- g. Pressure Cookers
- h. Resin
- i. Limestone
- j. Charcoal

- i)        a).Under the VAT Act the industrial inputs have been notified at what rate?  
          b) Is there a requirement to enter the raw materials by a particular industry/ dealer in his R.C. under the VAT Act. Discuss.  
          c) What is the status of RMI under the VAT Act and why?

Contdp/-2

- Q.No.4 (a) Explain whether a dealer purchasing goods from a tax- exempt units eligible For Input tax Credit?  
(b) How does Input Tax Credit operate in the case of an exempt and non- exempt unit? Illustrate by example.  
© On what amount would the subsequent dealer be charging Vat? Illustrate by example.  
(d) Whether an exempt industrial units is eligible for Input Tax Credit on purchases of inputs made?
- Q.No.5 Survey is an important tool for effective tax realization. Comment.
- Q.No.6 Explain Input tax Credit and the various terms and conditions governing it.
- Q.No.7 (a) Explain the transitional provisions as provided under Section 62 of the H.P. VAT Act, 2005.  
(b) Are the Directors of the defaulting companies liable to pay tax?
- Q.No.8 (a) What points should be kept in mind by the assessing authority while making Scrutiny of sales tax returns?  
(b) In what manner do the transport companies collude with dealers to evade tax?  
© explain the expression Taxable “ Turnover”
- Q.No.9 (a) Under what circumstances tax is leviable on purchase value?  
(b) Explain the term “ Taxable Quantum” With respect to different categories of dealers.
- Q.No.10 (a) Explain special mode of recovery.  
(b) What precautions should the assessing authority take before grant of Registration Certificate under the H.P. VAT Act?

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