

**DEPARTMENTAL EXAMINATION OFD EXCISE AND TAXATION
INSPECTORS OF HIMACHAL PRADESH SESSION FEBURARY, 2006**

Paper-4

SALES TAX LAW AND PRACTICE

Time Allowed: 3Hours.

Max. 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 (Only Bare Acts)

Q.No.1 Write short notes on following:

- a) Input Tax Credit
- b) Industrial Input
- c) Capital Goods

Q.No.2 a) What are the essential features of H.P. VAT Act, 2005?

- b) What procedure would you adopt while allowing ITC on closing Stocks as on 31.3.2005.

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

- a) Salt
- b) Fire wood
- c) Pine oil
- d) Turpentine oil
- e) Hosiery Goods
- f) Paper
- g) School Bags
- h) Vegetable oil
- i) Gur
- j) Dry fruits

(ii) a) Under the VAT Act what are the goods which are taxable at Ist stage only.

- b) Is there a requirement to enter the raw materials by a particular industry/ dealer in his R.C. under the VAT Act. Discuss.

Q.No.4 (a) What is the Status of tax liability for industries under H.P. VAT Act, 2005, Which were availing Concessions/ Exemption under the H.P. GST Act, 1968. Discuss in details.

- (b) How does Input Tax Credit operate in the case of an exempt and on-exempt unit? Illustrate by examples.

Contd/-p2

- Q.No.5 “ VAT in essence is nothing but a last stage levy of sales tax as was Prevalent Prior to 1992 under the HP GST Act” How far do you agree with This statement. Discuss.
- Q.No.6 Has the concept of Assessment undergone any change under the H.P.VAT Act. Discuss.
- Q.No.7 Discuss essential ingredients of section 34 of the HP. VAT, Act. How the Detecting officer will proceed determining “ the intention to evade the tax” Under Section 34. Explain giving illustrations.
- Q.No.8 Explain in detail the power of inspection of books , documents and accounts. Are these power unfettered.
- Q.No.9 (a) Discuss the provisions of Appeal under the H.P.VAT Act.
(b) Under what circumstances “ revision” can be resorted to.
- Q.No.10 (a) What are Various modes of recovery of tax arrears.
(b) Under what circumstances a dealer becomes liable for registration under the H.P. VAT Act.
© How can the A.A. proceed in case a dealer liable for registration does not get himself registered.
