

GOVERNMENT OF HIMACHAL PRADESH
H.P. BOARD OF DEPARTMENTAL EXAMINATION
SESSION, October, 2014

PAPER NO.4 (SALES TAX LAW AND PRACTICES)

(For Excise and Taxation Inspectors)

Time Allowed : 3 Hours

Maximum marks :100

Note:

- (i) Attempt any five questions. (ii) All questions carry equal marks.
(iii) Provisions or rules and acts must be quoted. (iv) Only Bare Acts are allowed in the Examination Hall.

Q. No.1

(a) Define the following.

1. Sale price (CST Act).
2. Company (CST Act).
3. Appropriate state (CST Act).
4. Capital Goods (VAT Act).
5. Small works contractor (VAT Act)
6. Document of title of documents (Sale of Goods Act).

(b) What do you understand by the term 'dealer' please elaborate.

(12+8=20 Marks)

Q.No.2 Answer the following and give reasons in support of your answer.

- (a) Can there be an interstate sale when purchaser and seller are located in the same state.
(b) Where the seller after making the sale has to do nothing and the purchaser has to transport the goods outside the state himself, will this amount to interstate sale.
(c) Hiring of Bank lockers whether amounts to transfer of right to use goods and attracts tax.
(d) Whether the transfer of right to use bus taxable.
(e) Whether an institution running a club with no profit motive is a dealer and liable to tax.

(4x5=20 Marks)

Q.No.3

- (a) When is a sale or purchase said to take place in course of interstate trade or commerce.
(b) What is Mens-rea? Can penalty be imposed without proving 'Mens-rea'.
(c) CST is a Central Act under what provision the said Act is administered by the state Sales tax authorities.

(7+7+6=20 Marks)

Q.No.4 Write short note on any four.

- (i) Recovery of arrears.
- (ii) Role of survey.
- (iv) Retail Invoice.
- (v) Issue of credit notes and debit notes.
- (vi) Mercantile Agent.

(5x4=20 Marks)

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Q.No.5

- (a) Describe in detail the procedure for services of notices.
- (b) What should be the ingredients of a proper notice.
- (c) Can summons be issued by an Assessing Authority.

(8+8+4=20 Marks)

Q.No.6

- (a) What do you understand by deferment of Tax and what are the condition of eligibility for availing the same.
- (b) What different option are available to the dealers for making payment of tax under this scheme.

(10+10=20 Marks)

Q.No.7

- (a) What do you understand by the term transfer of goods. Whether submission of form F mandatory to prove such a transfer?
- (b) Assume that a dealer W despatches goods from Karnataka to Orissa, and raises invoice on X in Madhya Pradesh. During movement of goods X sells goods to Y in West Bengal and Y ultimately sells goods to Z in Orissa. Explain how such a transaction will be regulated and in which state CST will be payable.

(10+10=20 Marks)

Q.No.8

Explain in detail how computerisation and e-services have been beneficial both to the dealer as well as the department.

(20 Marks)