

**H.P.BOARD OF DEPARTMENTAL EXAMINATION
DEPARTMENTAL EXAMINATION OF OTHER GAZETTED OFFICERS/
OFFICIALS OF HIMACHAL PRADESH SESSION SEPTEMBER, 2008**

PAPER-4 (LAW RELATING TO VAT/ SALES TAX AND ALLIED TAXES)

(For E.T.Os)

**Time Allowed:3 Hours.
100**

Maximum Marks:

- Note:-**
- 1. Attempt any five questions.**
 - 2. All questions carry equal marks.**
 - 3. Quote relevant provisions of Act and Rules and Notifications wherever Necessary.**
 - 4. Only bare Acts are allowed inside the Examination Hall.**

Q.No.1 a) Differentiate between value Added Tax and General sales Tax Act. **(5 Marks)**

b) Elaborate 5 salient features of VAT Act. **(5 Marks)**

c) What is value Addition to Tax? Elaborate atleast three stages of value Addition from manufacturing to retail stage? **(5 Marks)**

d) Has VAT justified the replacement of general Sales Tax Act in terms of better Revenue collection? Elaborate. **(5 Marks)**

Q.No.2 Explain the procedure of refund under VAT Act, 2005 and other sales Tax Enactments with reards to:-

a) Determinations of excess payment of tax, Penalty and interest. **(5 Marks)**

b) Determination of excess ITC qualifying for refund. **(5 Marks)**

c) Processing refund cases for sanction of competent authorities **(5 Marks)**

d) Passing actual refund order pursuant to sanction. **(5 Marks)**

Q.No.3 a) what is works contract? Elaborate the issue with reference to Hon'ble Supreme

Court Order in "State of Madras Vs Gannon Dunkerley and Company". **(10 Marks)**

b) When indivisible works contract becomes taxable. Elaborate. **(5 Marks)**

c) Is the material supplied by the Contractee held as Trustee by Contractor a sale?

Elaborate. **(5 Marks)**

Q.No.4 a) Explain the procedure for registration of a dealer under HP VAT Act, 2005 During Pre- RC issue Stage and RC issue Stages. **(10 Marks)**

Marks)

b) What precautions should Assessing Authority take during Post RC stage to Protect Govt. revenue interest. **(5 Marks)**

c) Explain the provisions and requirement of Securities as per Rule 4 (i) of HP HP VAT, 2005 for granting Registration Certificate. **(5 Marks)**

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Q.No.5 a) What Critical areas of accounts and books are necessary to be examined and Cross verified by Assessing Authority during Assessment process. **(5 Marks)**

b) What is the utility of cross Verification of declaration made in Form VAT-26-A. **(5 Marks)**

c) Describe atleast 5 category of dealers whose cases can be taken up for Verification/ scrutiny as per relevant rules under HP VAT Rules. **(5 Marks)**

Marks)

d) Can Assessing Authority exercise powers to assess under HP VAT as at par with relevant jurisdiction under HP GST act. Explain. **(5 Marks)**

Marks)

Q.No.6 a) What has been the background and circumstances for the enactments of CST Act? **(5 Marks)**

b) Articles 286 of the constitution of India imposes restriction on levy of tax on the sale or purchase of certain goods. Explain two such areas. **(5 Marks)**

Marks)

c) Write the name of 10 goods of special importance in inter- state trade or commerce under CST Act. Elaborate the necessity of the provisions and quote the relevant sections. **(5 Marks)**

Marks)

d) Write the rate of tax for 5 items/ goods in each under CST Act where transaction is covered with 'C' Form and where transaction is not covered by- 'C' Forms. **(5 Marks)**

Q.No.7 a) Explain the procedure of recovery of dues under HP PGT Act, 1955. **(5 Marks)**

b) Explain the distinction between a stage carriage and a contract carriage. **(5 Marks)**

Marks)

c) What element of expenses should Assessing Authority keep in mind while arriving at gross revenue receipts of a contracts/ stage carriage during the

process of assessment.

(5 Marks)

- d) Payment of Goods Tax is exempted by HP Govt. for certain periods for Transporting Apple/ Potato from the State for vehicles being engaged outside The State. What is the genesis of such exemption. **(5**

Marks)

Q.No.8 a) What is the procedure for registration under HP Tax on Luxuries (In Hotels And Lodging Houses) Act, 1979. **(5 Marks)**

- b) Explain the utility of Guest Register being maintained by a Hotelier. **(5**

Marks)

- c) What secondary evidence Assessing Authority should look for in addition to the returns filed by a Hotelier to arrive at correct Gross Revenue receipts during a particular period. **(5**

Marks)

- d) Since specific provisions for payment of Luxury Tax and filling of returns do exist under HP Tax on Luxuries (in Hotels and Lodging Houses) Act, 1979,

the

number of defaulter seems increasing every year. Identify five procedural lapses on the part of Tax enforcing agency. **(5**

Marks)