

H.P. BOARD OF DEPARTMENTAL EXAMINATION

DEPARTMENTAL EXAMINATION FOR

EXCISE AND TAXATION INSPECTORS

(SESSION *June* -2018)

Paper No. 4

Maximum Marks:- 100

Sales Tax Law and practice

Time allowed:- 3 Hours

Note:-

1. **Attempt a total of five questions. Question No. 1 and 8 are compulsory.**
2. Relevant provisions of the Act and Rules must be quoted.
3. Only Bare Acts and Rules are allowed inside the examination hall.

Q. 1(Compulsory) Write a Short Note on the following:-

- i. The Constitution (101st) Amendment Act, 2016
- ii. Goods and Services Tax Council
- iii. Status of Himachal Pradesh Value Added Tax Act, 2005 and Central Sales Tax Act, 1956 after implementation of GST
- iv. SGST/UTGST, CGST and Compensation Cess
- v. Integrated Goods and Services Tax (IGST) is a washout tax. Explain with illustration

5x4 =20

Q. 2

- a. Discuss the law and procedure for conducting inspection of goods in transit under the provisions of The Value Added Tax, 2005 and differentiate it with the law and procedure under the Goods and Services Tax Laws. (8)
- b. Explain the procedure for assessment under the following Acts:-
 - i. The H.P. Value Added Tax Act, 2005
 - ii. The Central Sales Tax Act, 1956 (3+3)
- c. Discuss the law and procedure for appeal and revision under the following Acts:-
 - i. The H.P. Value Added Tax Act, 2005
 - ii. The Central Sales Tax Act, 1956 (3+3)

Q.No. 3 Write short notes on the following:-

- i. Applicability of GST on works contracts
- ii. Explain the statutory forms viz:- Form C, F, H and E. Why there are no forms under GST?
- iii. Stock transfers have been made taxable under GST. Will it impact the taxpayers adversely? Explain with illustration
- iv. How has the implementation of GST affected business of Petrol Pumps and a liquor manufacturing plants ?

(5X4)

Q.No. 4

- i. The declared tariff for a room in a hotel is Rs. 2,400/- per unit per day. The customer was charged Rs 2,700/- (exclusive of tax). The charge included Rs 300/- on account of extra bed. What rate of GST will apply to the transaction? Also calculate the amount of tax that needs to be charged from the customer. **(5)**
- ii. What is meant by the declared tariff and where will the same be published? **(2)**
- iii. Explain applicability of GST on homestays in Himachal Pradesh. Whether a homestay with an annual turnover of Rs 9,75,000/- providing accommodation through an Electronic Commerce Operator is exempt from taking registration under GST or not? Discuss with reasons. **(3)**
- iv. What rate of GST will be applicable on rooms provided to in-patients in a Hospital and students in a boarding school? Explain with reasons. **(3)**
- v. How has the tax compliances of the hotels changed after implementation of GST? **(3)**
- vi. Discuss the incentives available to industrial units in H.P. under GST. Also discuss the reasons for non applicability of tax exemptions/incentives to industries in the Pre-GST regime. What methods can government employ to provide tax incentives to industrial units? **(4)**

Q.No. 5

- i. What is e-way bill? What are the benefits of e-way bill? Is the temporary vehicle number allowed for e-way bill generation? **(4)**
- ii. What is minimum distance required for E-Way Bill generation? What is the position of regular vehicles and over dimensional cargo vehicle with regards to validity period? **(1+2)**
- iii. Describe the procedure with regards to inspection of goods in transit after implementation of e-way bill system under GST. **(4)**

- iv. What is the meaning of consignment value in away bill? Does consignment value includes value of exempt goods in case the invoice contains both taxable and exempt goods? Does it include value of tax and cess charged in the invoice? (1+1+1)
- v. How does the away bill provision apply to movement of goods by Railways. (2)
- vi. Discuss about the availability of ITC to a composition taxpayer when he opts out of the scheme. Also discuss about the reversal of ITC when a regular tax payer opts for composition scheme. (3)

Q.No. 6 Explain the law and procedure as per the provisions of the Civil Procedure Code in respect of the following:-

- i. service of summons
- ii. Production, impounding and return of documents
- iii. Summoning and attendance of witnesses
- iv. Hearing of suits and examination of witnesses

(5X4)

Q.No. 7 Write Short notes on the following

- i. GST is a destination based consumption tax.
- ii. Core and non core fields in the GST amendment application.
- iii. Concept of Purchase Tax and Reverse Charge
- iv. Composition Scheme for payment of taxes under HPVAT and GST for small traders, manufacturers and some other class of taxpayers.
- v. Applicability of GST on inter-state transfers of goods by the same owner.

4x5=20

Q. 8 (Compulsory)

- I. What is meaning of composition levy? What is threshold limit for composition scheme under GST in the State of H.P.? Which categories of taxpayers are eligible to opt for the scheme and what are the rates applicable for different categories? Whether a casual taxable person or a non-resident taxable person is eligible for the scheme? (2+1+3+2)
- II. A customer had booked an accommodation with declared tariff of Rs 6,500/-. Due to non-availability of the accommodation subsequently for some reason, he was offered an accommodation with declared tariff of Rs 8,000/-. The amount charged from him however remained at Rs 6,500/- only. What rate of GST will apply to the transaction? Also calculate the amount of tax that needs to be charged from the customer. (4)

III. Is the way bill required for the empty cargo containers? How many way bills needs to be generated for transportation of goods in a semi knocked down or completely knocked down condition in a number of vehicles? Does the movement of goods under Custom seal require way bill? **(1+2+1)**

IV. Calculate Tax liability of a GST Composition Taxpayer engaged in trading for the quarter ending 31/3/2018 who has conducted the following transactions during the quarter:-

Intrastate Inward Taxable Supplies	=Rs 4,00,000/-	
Interstate Inward Taxable Supplies	= Rs 1,00,000/-	
Interstate Inward Exempted Supplies	= Rs 2,25,000/-	
Outward Taxable Supplies	= Rs 8,50,000/-	
Outward Exempted Supplies	= Rs 3,00,000/-	(4)