

End Semester/Reappear (Semester IV) Examination, May 2025

Programme: LLB
Course: Principles of Taxation
Course Code: 24D.271
Enrolment no. _____

Full Marks: 70
Time: 3 Hrs.

Section I

- 1. Short Answer type questions. Answer any four. 4 x 5 = 20**
- Explain the process followed by income tax authorities for issuing tax refunds, including eligibility criteria, procedural steps, and timelines for receiving the refund.
 - Differentiate between direct and indirect taxes, explaining their characteristics, impact, and how they are levied on individuals and businesses.
 - Define the concept of an assessee's residential status, explaining its significance in taxation and the criteria used to determine it under Indian tax laws.
 - Explain the concept of Capital Gains Taxation, detailing its significance, types, and the criteria for determining tax liability on capital assets.
 - Explain the Search and Seizure power by income tax authorities.
 - Identify the types of income that are exempted from taxation, explaining the legal provisions and criteria under which they qualify for exemption.

Section II

- Long Answer type questions. Answer any three. 3 x 10 = 30**
- Define the term "Agricultural Income". What are the essential conditions for claiming exemption of income as "Agricultural Income".
 - Discuss the taxation of salary income, outlining its components, exemptions, deductions, and the applicable tax treatment under Indian tax laws.
 - Explain the process of setting off and carrying forward losses under income tax laws, detailing the applicable provisions, conditions, and limitations for different types of losses.
 - Define key terms related to taxation, including Persons, Assessee, Income, Application of Income, and Diversion of Income by Overriding Titles. Explain their significance in tax law and how they impact financial assessments.
 - Provide a brief explanation of short-term and long-term capital gains, highlighting their definitions, differences, and tax implications.

Section III

- Application based questions. Answer any one. 1 x 20 = 20**
- Analyze the criteria for determining the residential status of an individual and a Hindu Undivided Family (HUF) under Indian tax laws. Discuss relevant judicial precedents that illustrate the application of these tests in legal decisions.
 - Evaluate the concept of the annual value of house property, explaining its significance in taxation. Discuss how income from house property is taxed and outline the exemptions available under Indian tax laws.
 - Analyze how taxation laws in India align with the fundamental rights enshrined in the Constitution. Discuss the constitutional provisions governing taxation, the balance between revenue collection and individual rights, and judicial interpretations ensuring fairness in tax administration.
