

VEER NARMAD SOUTH GUJARAT UNIVERSITY SURAT

First Year B.Com.

Taxation Paper - I from the Academic Year 2006-07 Banking of Taxation Paper - I

Taxation Paper - I

"Indian Tax Systems & Central Sales Tax & Gujarat Value Added Tax Act Procedure & Practice"

Syllabus : Indian Tax System

Meaning of Tax - Central and State powers of taxation Distribution of revenues between Central & States

Direct & Indirect Taxes

Direct taxes of the Central Government - Income Tax, Wealth Tax, Gift Tax, Interest Tax Act 1974 with effect from 01/04/1993, Expenditure Act 1987 & Professional Tax.

Indirect taxes of Central Government - Central Excise, Custom Duty, Central Sales Tax Act.

Taxes of the State Government - taxes on sale and purchase of goods, tax on land and building, octroi duty, tax on profession, trade and business, tall tax, tax on motor vehicle, transportation, tax on advertisement, tax on luxuries, entertainment and amusements, tax on betting and gambling, tax on electricity, tax on animals, stamp duty, agricultural income tax and land revenue.

THE GUJARAT VALUE ADDED TAX – PROCEDURE PRATICE

CHEPTER – 1 PRILIMINARY

- (A) Short Title and Commencement
- (B) Definition

Agriculture , Agriculturists , appointed day, Capital goods, Central Act, Commission Agent, Commissioner , To Cultivate, Dealer, Declared goods, Eerier Law, Goods, HSN Code ,Manufacturer , Person, Place of Business, Prescribed Purchase Price, Raw Material, Registered Dealer , Resale, Rules, Sale , Sale Price, Schedule, The State, Tax Period, Taxable Goods, Taxable turnover, Tribunal , Turnover of purchase , Turnover of sales, Total turnover, Value of goods, Year,

CHEPTER – 2 INCIDENCE AND LEVY OF TAX

1. Incidence of tax
2. certain sales and purchase
3. Exemptions
4. Taxes payable by dealer

5. Levy of tax on turnover of sales and rate of tax
6. Adjustment in tax
7. Levy of purchase tax
8. Option for payment of lump sum tax lie of tax on sales
9. Tax credit
10. Net amount of value added tax
11. Burden of proof

CHEPTEER – 3 : COMMERCIAL TAX AUTHORITIES AND TRIBUNAL

1. Commercial tax authorities and tribunal
2. Power to transfer proceedings
3. Disputes regarding jurisdiction of tax authority
4. Tribunal
5. Power of tribunal and commissioner

CHEPTR – 4 : REGISTRATION

1. Registration
2. Voluntary registration
3. Deemed registration
4. Non transferability of registration
5. Continuation of certificate of registration of dissolved firm
6. Amendment of certificate of registration
7. Suspension or cancellation of registration
8. Security from certain class of dealers

CHEPTEER – 5 : RETURN , PAYMENT OF TAX , ASSESSMENT , RECOVERY OF TAX AND REFUND

1. Return
2. Periodical payment of tax and interest on non payment of tax
3. Collection tax only by registered dealer
4. Return scrutiny and provisional assessment
5. Self assessment
6. Audit assessment
7. Turnover escaping assessment
8. Refund of excess payment
9. Provisional refund
10. Interest on refund
11. Power to withhold refund in certain cases
12. Refund of tax certain categories
13. Remission of tax, penalty or interest
14. Payment and recovery of tax interest of on delayed payment
15. Continuation of certain recovery proceedings
16. Special mode of recovery
17. Provisional attachment

CHEPTER – 6 : FORMS

1. FORM 101 - Application for certificate of registration
2. FORM 101A - Details of additional places of Business/ Branches' Godowns in Gujarat State
FORM 101C - Specimen Signature of authorized person
3. FORM 102 - Certificate of registration under the Gujarat Value Added Tax Act , 2003
4. FORM 103 - Application for cancellation of Registration
5. FORM 104 - Notice of Suspension / Cancellation of certificate of Registration.
6. FORM 106 - Declaration / Revised Declaration regarding manager or Managers of the business.
7. FORM 107 - Declaration regarding Bank Accounts.
8. FORM 108 - Statement of goods held in stock.

CENTRAL SALES TAX - PROCEDURE AND PRACTICE

Regulatory framework - an overview of Central sales tax Act, 1956, an overview of Central Sales Tax (Registration and Turn Over) Rules, 1957.

(1) Import out terms and definitions :

Dealer, declared goods, goods, place of business, sale, sale price, turn over, inter-state sale.

Principles for determining - when Central Sales Tax is levianle, the concept of sale or purchase of goods in the course of inter state trade or commerce

When does sale or purchase of goods takes place outside the state.

When does the sale or purchase of goods is in the course of import or export

Registration of dealers and procedures thereof - filling and filing of application in Form A for registration, relevant fee payable, security / surety for registration.

Grant of certificate of registration in form 3

Procedure for amendment, cancellation and obtaining duplicate certificate of registration

(2) Rates of Tax :

Concessional rate when available - kinds of forms for availing the concessional rates and maintenance of records related thereto

(A) Sales to the registered dealers against Form C

Purchasers Obligations : Procedure for obtaining Form C from Sales Tax authorities and issuing of form C to dealers. Application under prescribed form with requisite fee

for obtaining Form C. Maintenance of records for receipts and issue of Form C - Form 2.

Sellers Obligations : Obtaining Form C from purchasers. Maintenance of records of C Form collected and submission of C Form at the time of assessment.

(B) Sales to the Government against Form D

Form D - use and custody of maintenance etc. of records of certificates in Form D

(C) Subsequent sale in the course of inter-state sale and receipt and issue of Form E-1 and E-2 in connection thereto

Application for obtaining Form E-1 and E-2 and the relevant fee to be paid therewith, maintenance of records E-1 and E-2 Forms for receipts.

(3) Branch and Consignment transfer :

Inter State transfer of goods from one office to another or principal to agent or agent to principal and issue and receipt of Form F

Application for obtaining F Form and the relevant fee, maintenance of records of such forms and matters incidentals thereto. Form No. 5

(4) Determination of turnover, deductions from turnover

(5) Return of Sales Tax Payable under the Central Sales Tax Act, 1956.

Form No. 1 - filling and filing of Form No. 1

Deposit of Central Sales Tax and filling and filing of challan in the prescribed form