

Guidelines
For B.Com. (Hons.)
Paper No – CH 4.1: Semester - IV
INDIRECT TAX

Duration: 3 hours

Maximum Marks: 100

Lectures: 75

Law applicable is as on 1st Dec of the academic year. For Semester IV, the law as on 1/Dec/2012 is applicable.

Unit 1: Service tax (40-45 Lectures) (practical & theory both)

Service tax – concepts and general principles, Charge of service tax and taxable services, Valuation of taxable services, Payment of service tax and filing of returns, Penalties.

- Basic of charge (sec 66B),
- There should be a service (meaning, includes declared services, specific exclusion),
- Service should not fall in the negative list (17 items in negative list),
- Service should not be covered under any exemption notification.(Notification no. 25/2012, 39 items)
- Service should be provided in a taxable territory, it should not be provided in a non taxable territory. (Place of provision of service rules 2012 & 14 rules)
- Computation of service tax liability. (12.36% of value of taxable service is service tax, Valuation, Compounding scheme, Abatement)
- Point of Taxation (Point of taxation rules 2011, Rules- “3,4,5,7,8,8A”, Special provisions for Industries, Firm, LLPS)
- Reverse charge mechanism (Notification no. 30/2012, 10 points)
- Threshold exemption (Who can avail?, Computation with illustration)
- Procedural aspects(Invoice, Registration, Payment, Return, Penalties)

Unit 2: VAT (6-10 Lectures) (Conceptual discussions)

VAT – concepts and general principles, merits & demerits of VAT; Calculation of VAT Liability including input Tax Credits- different computation modes, input credit coverage, carry over, treatment of exports, if goods purchased from other states; Small Dealers- certain concessions for small dealers; Composition Scheme-eligibility, features, advantages & disadvantages; VAT Procedures – Tax invoice, registration, TIN, Return, Self-assessment, Audit

Unit 3: Central Excise (8-10 Lectures) (Conceptual discussions / theory only)

Central Excise Law in brief – Meaning of Goods, Excisable goods, Manufacture and Manufacturer; Valuation; CENVAT credit; Basic procedures; Export; SSI; Job Work

Unit 4: Customs Duty (8-10 Lectures) (Conceptual discussions)

Basic concepts of customs duty, Territorial waters, high seas, Types of custom duties – Basic, Countervailing & Anti- Dumping Duty, Safeguard Duty, Valuation, Customs Procedures, Import and Export Procedures, Baggage rules, Exemptions

Paper pattern

- In all 5 Questions with internal choice.
- Question no. 1, 2, 3 – from unit 1, Service Tax (all practical + Theory)
- Question no. 4 –
 - half question from unit 2 i.e., VAT
 - half question from unit 4 i.e., Customs Duty
- Question no. 5 – from unit 3, Central Excise

Suggested Readings:

1. V.S. Datey. *Indirect Tax Law and practice*, Taxmann Publications Pvt. Ltd., Delhi, Latest edition.
2. Dr. Sanjeev Kumar. *Systematic Approach to Indirect Taxes*, Latest edition.
3. S. S. Gupta. *Service Tax -How to meet your obligation* Taxmann Publications Pvt. Ltd., Delhi, Latest edition.
4. Dr. Vinod K. Singhania, *Element of Service Tax*, Taxmann Publications Pvt. Ltd., Delhi, Latest edition.