



2025

**COMMERCE**

Course No. : COM315E

**(Corporate Tax Planning and Management)***Full Marks : 60**Time : 3 hours*

*The questions are of equal value*  
*The figures in the margin indicate full marks for the questions*

Answer any **five** questions

1. a) "Tax Planning imply compliance with the taxing provisions in such a manner that full advantage is taken of all exemptions, deductions, concessions, rebate and reliefs permissible under the Act." Discuss this statement

12

*Or*

- b) "Tax planning helps to claims of various benefits of tax while tax management helps in complying the conditions for claiming tax benefits" Discuss

12

2. a) Discuss the provisions of tax planning measuring with reference to setting up of a new business in respect of nature and location of business.

6+6

*Or*

- b) Discuss the special management decisions in respect of capital structure decision and taxability of dividend.

6+6

*( Turn Over )*

3. a) A Ltd. is a widely-held company. It proposes to increase its production for which it will require Rs. 50, 00, 000/-. The company proposes the following three-alternatives for the structure of the additional capital

1 <sup>st</sup> alternative Rs	2 <sup>nd</sup> alternative Rs	3 <sup>rd</sup> alternative Rs
Share capital 50,00,000	20,00,000	10,00,000
10% debenture	20,00,000	15,00,000
Loan from financial Institute (12% interest)	10,00,000	25,00,000

Expected return on capital employed in business is 25% (before tax). Generally, companies engaged in similar business are paying 20% dividend on its share capital. Assume tax rate is 20% surcharge 6% And Health and Education cess 4%. You have to advise the company as to which alternative it should choose for the capital structure so as to pay maximum dividend to the share holders.

*Or*

- b) Discuss the provisions of tax planning in respect of Undertaking or Enterprises engaged in North Eastern States.

12

4. a) "Goods and services tax (GST) proposed to replace a slew of indirect tax with a unified tax and introduced on 1<sup>st</sup> July, 2017 throughout India to remove multiple cascading taxes levied by the Government." Discuss.

12

*Or*

- b) What do you understand by "Goods and Service Tax" [Article 366 (12A)]. What are the benefits and salient features of GST.

3+5+4

5. a) “Amalgamation under Income Tax is a term which is not confined only to merger in which two companies form a new company and such amalgamation should satisfy the condition laid down under section 2 (1B). Discuss the conditions which must necessarily be fulfilled. 5. a)

*Or*

- b) Write on any two (2) of the following: 6+6
- a) Tax incentives in case of amalgamation
  - b) Advance payment of tax and computation of tax by Assessing officer under section 209 (1) (b).
  - c) Deduction and collection of tax at sources.

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