



Subject Code: IMT-115

Subject Name : SERVICE TAX - I

Notes:

- Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
 - Answers of Ist Set (Part-A), IInd Set (Part-B), IIIrd Set (Part – C) and Set-IV (Case Study) must be sent together.
 - Mail the answer sheets alongwith the copy of assignments for evaluation & return.
 - Only hand written assignments shall be accepted.
- First Set of Assignments: 5 Questions, each question carries 1.5 marks.
 - Second Set of Assignments: 5 Questions, each question carries 1.5 marks.
 - Third Set of Assignments: 5 Questions, each question carries 1.5 marks. Confine your answers to 150 to 200 Words.
 - Forth Set of Assignments: Two Case Studies : 7.5 Marks. Each case study carries 3.75 marks.

ASSIGNMENTS

FIRST SET OF ASSIGNMENTS
Marks

Assignment-I = 5

PART– A

- Name the committee which committee recommended the introduction of service tax in India. Also name the Act under which Service Tax is levied?
- Which service were the first on which service tax was levied and what was the rate of service tax then? What is the current rate of Service tax?
- A company having registered office in Jammu provides taxable service in Haryana. Is the company liable to pay service tax?
- Why is 'service sector' taxed?
- Give Constitutional background for levy of Service Tax.

SECOND SET OF ASSIGNMENTS

Assignment-II = 5 Marks

PART– B

- What are the due dates of filling return of service tax? When should the return be filed if the due date happens to be a public holiday?
- Give the essential characteristics of service. Who is to pay service tax?
- "X" an individual has not provided any services in the half year period of April to September should he file any return for this period?
- Who is the controlling authority for administration of service tax?
- What are the penalties for delay in filling of service tax return?

PART- C

1. What do you mean by “value of taxable services”?
2. When is service tax payable? Is service tax payable on the advances received by the service provider?
3. A service was made taxable w.e.f. 1/07/2007. Contract for providing services was entered into prior to the effective date i.e. 1/07/2007. Bill has been raised and the value in full received from the customer prior to 1/07/2007. However, services were made rendered after 1/07/2007. Are the services taxable?
4. A service provider has not shown the service tax amount in my invoice. What is the amount on which I will have to pay service tax?
5. Discuss the provisions relating to self adjustment of excess tax paid in earlier period.

CASE STUDY - I

Mr. Ajar a Chartered accountant raised an Invoice for Rs.28060 (25000+3060 service tax) to a client on 20/01/2007. The client however has paid a lump-sum of Rs.26000 on 28/04/2007 for full and final settlement:

1. How much service tax Mr. Ajar has to pay and when does this tax become due for payment?
2. What will be his liability if client refuses to pay service tax and pays only Rs.25000 in total?

CASE STUDY-II

For providing beauty treatment services, a parlour uses materials such as cosmetics and toilet preparations. Whether the cost of such materials will be included in the value of taxable services? Whether any abatement is admissible on account of the value of materials consumed in providing the service?