

## 2 MARK QUESTIONS with ANSWERS-

### B.COM/BBA

### (Calicut University)

## INCOME TAX & GST

1. what is tax rebate?

A tax refund or tax rebate is a payment to the taxpayer when the taxpayer pays more tax than they owe.

2. What is GSTR 2?

GSTR-2 is a purchase return that is required to be filed by every GST registered person. Taxpayers are to enter details relevant to their inward supplies in the GSTR 2 purchase return.

3. What you meant by return of loss?

A loss return is a communication forwarded by a taxpayer to the Income Tax department, informing that there is a loss incurred for a financial year. Typically, the purpose of filing a loss return is to enable the taxpayer to carry forward the loss to future periods.

4. Explain aggregated turnover?

Aggregate turnover in GST can be described as the taxable value of supplies of goods and services, exempt supplies of goods and services, the export of goods and services and inter-state supplies.

5. Why is dual GST required?

Dual GST structure implies that both the Central and State governments can levy and collect taxes via appropriate legislation. Moreover, both governments have been assigned distinct responsibilities, as prescribed under the division of powers statute of the Constitution. Overall, a dual GST structure is designed to align with the

Constitutional requirements of fiscal federalism.

6. What is protective assessment in income tax?

This is a type of assessment that focuses on those that are made to 'protect' the revenue's interests. The income tax legislation, however, has no provision for the imposition of income tax on anyone other than the person to whom it is due. It is open to the authorities to undertake a protective or alternative assessment if it is unclear who among a few probable persons is liable to pay the tax.

7. List out four exempted goods from GST?

Fruits and vegetables, cereals, meat and fish, potatoes, Silk waste, raw silk, raw jute fiber.

8. Who is CBDT?

The Income Tax Department is a government agency undertaking direct tax collection of the Government of India. It functions under the Department of Revenue of the Ministry of Finance.<sup>[5]</sup> Income Tax Department is headed by the apex body Central Board of Direct Taxes (CBDT).

9. What is the meaning of supply in GST?

The taxable event under GST shall be the supply of goods or services or both made for consideration in the course or furtherance of business. The taxable events under the existing indirect tax laws such as manufacture, sale, or provision of services shall stand subsumed in the taxable event known as 'supply'.

## 10. How is input tax differing from Output tax?

Input Tax	Output Tax
It is tax paid on purchases	It is tax charged on sales
Input tax is available only on purchase from registered dealers	Output tax is available on all sales Whether to registered dealers or Unregistered dealer
Input of local purchases only available (no input of CST)	Output tax can be on local sale (called output vat) or on central sales (called output cst or cst payable)

