

PRACTICE MANUAL

PAPER 8

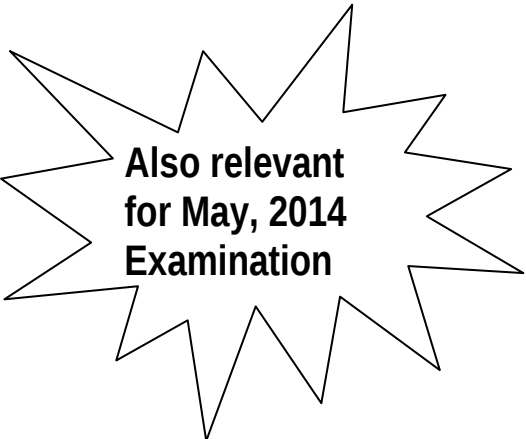
Indirect Tax Laws

(REVISED SYLLABUS)

[Relevant for November, 2014 Examination]

As amended by the Finance Act, 2013

VOLUME – III



**Also relevant
for May, 2014
Examination**



**BOARD OF STUDIES
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

This Practice Manual has been prepared by the faculty of the Board of Studies. The objective of the Practice Manual is to provide teaching material to the students to enable them to obtain knowledge and skills in the subject. In case students need any clarifications or have any suggestions to make for further improvement of the material contained herein, they may write to the Director of Studies.

All care has been taken to provide interpretations and discussions in a manner useful for the students. However, the Practice Manual has not been specifically discussed by the Council of the Institute or any of its Committees and the views expressed herein may not be taken to necessarily represent the views of the Council or any of its Committees.

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SYLLABUS (REVISED)

PAPER 8 : INDIRECT TAX LAWS

(One paper – Three hours – 100 marks)

Level of Knowledge: Advanced knowledge

Objectives:

- (a) To gain advanced knowledge of the principles of the laws relating to central excise, service tax and customs
- (b) To acquire the ability to apply the knowledge of the provisions of the above-mentioned laws to various situations in actual practice

Contents:

Section A: Central Excise (25 marks)

Central Excise Act, 1944 and the Central Excise Tariff Act, 1985

Section B: Service Tax (50 marks)

Law relating to service tax as contained in the Finance Act, 1994 as amended from time to time

Section C: Customs and Foreign Trade Policy (25 marks)

Customs Act, 1962, Customs Tariff Act, 1975 and Foreign Trade Policy to the extent relevant to the Customs Law

Note – If new legislations are enacted in place of the existing legislations relating to central excise, customs and service tax, the syllabus will accordingly include such new legislations in place of the existing legislations with effect from the date to be notified by the Institute.

A WORD ABOUT PRACTICE MANUAL

The distinctive characteristic of the Chartered Accountancy Course i.e., distance learning, emphasizes the need for bridging the gap between the students and the Institute and for this purpose, the Board of Studies provides a variety of educational inputs to the students. The subject-wise Practice Manuals is one of such inputs provided by the Board of Studies.

The Practice Manuals are highly useful to the students preparing for the examinations, since they get answers to all significant questions relating to a subject at one place and that too, grouped chapter-wise. It covers a wide range of questions including practical questions and questions based on case laws. The Practice Manual includes questions from past examinations at Final level as well as other important questions, which would facilitate in thorough understanding of the provisions contained in the Chapters of the Study Material.

The syllabus of Paper 8: Indirect Tax Laws has been revised to include 'Foreign Trade Policy' in Section C: Customs. Since, the foreign trade policy is closely knit with the customs laws of India; its inclusion in the syllabus will facilitate understanding of practical application of various provisions of customs law. This Practice Manual - prepared in accordance with the revised syllabus - is divided into three sections in line with the Study Material namely, Section A : Central Excise, Section B : Service Tax and Section C : Customs and Foreign Trade Policy. The first examination of this paper based on the revised syllabus will be held in November, 2014.

The questions included in this Practice Manual have been adapted and answered on the basis of the indirect tax laws as amended by the Finance Act, 2013. The questions relating to Foreign Trade Policy have been answered on the basis of the Foreign Trade Policy as amended by the Annual Supplement issued in April, 2013.

Since, this Practice Manual is prepared in accordance with the revised syllabus, it is applicable for November, 2014 examination. However, students may note that this Practice Manual is also relevant for May, 2014 examination. Students appearing in May, 2014 examination are advised to:

- (i) ignore Chapter 16 - Foreign Trade Policy in Section C: Customs and Foreign Trade Policy of this Practice Manual; and**
- (ii) refer to Chapters 1 - 8 relating to VAT and Inter-relationship of accounting with excise, customs and service tax grouped together in the Appendix to this Practice Manual. [This Appendix is, however, not relevant for students appearing in November, 2014 examination]**

The Practice Manual will serve as a useful and handy reference guide while preparing for Final Examination. Further, it will enhance the understanding about the pattern of questions set at

the examination and the manner of answering such questions. It will enable solving the problems in the best possible manner and guide the students to improve their performance in the examinations. It will also help them to work upon their grey areas and plan a strategy to tackle theoretical as well as practical problems. For further clarifications/guidance, students may send their queries at swati.bos@icai.in.

Happy Reading and Best Wishes!

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