



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW
DEPARTMENT OF PUBLIC LAW
2021_1 EXAMINATION QUESTIONS
JUNE, 2021

COURSE CODE: PUL434
COURSE TITLE: LAW OF TAXATION II
CREDIT UNIT: 4
TIME ALLOWED: 3 HOURS

Instruction: ANSWER QUESTION 1 (ONE) AND ANY OTHER 3 QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS (15 MARKS) EXCEPT QUESTION 1 WHICH CARRIES 25 MARKS.

QUESTIONS:

1. The Federal Government after intensive investigation of the national economy by its economy experts has resolved to take some drastic steps in order to save the economy from total collapse. One of those steps touches the tax system of the country. By the new law, the government has decided to look into the earning pattern of every citizen. In this case, the rise of the taxpayers' income or earning strength will lead to the increase in the percentage of their tax to the government treasury. Experts have advised that this is so important for the stability of the economy in this critical time. Discuss. =**25Marks**
2. (a) Mention and briefly explain five ways in which the term 'tax' can be distinguished from ordinary charges, fees, levies or tolls, fines etc.=**10Marks**

(b) From your answer in (a) above, itemize any five identities/features of tax. =**5Marks**
3. With the aid of a diagram/graph, explain Regressive tax system. =**15Marks**
4. (a) It would be incongruous for any tier of government to seek to impose any form of tax on subjects, person or property, beyond its legislative competence. Briefly discuss. =**7Marks**

(b) Explain the term 'taxing power' =**8Marks**
5. Olumide is a successful businessman who specializes in the importation of various of motor vehicles in Nigeria. He had been faithful in the payment of tax out of the profit from the business as income tax and duty tax charged on the imported goods. Olumide has adopted a different way of paying tax/duty on the goods he imports by disassembling

them before bringing them into the country. By so doing, the amount of duty paid on the dismantled goods reduces drastically compared to when he imports them in whole.

Discuss. =15Marks

6. (a) Discuss the issue of 'assessment' as one of the problems of taxation in Nigeria.
=9Marks

(b) Define the following terms:

- i. Stamp Duty
- ii. Excise Duty:
- iii. Tax Exemption: