



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF LAW
DEPARTMENT OF PUBLIC LAW
2020_2 EXAMINATION

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

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. Mr. *Rapuokwu* is a senior worker in a well-known multi-purpose manufacturing company situate in *Gburgburu* State. Although very wealthy, Mr. *Rapuokwu* is known for being parsimonious which even affected his disposition towards his payment of tax. He has no difficulty understanding why Government imposes tax but feels it is an extra burden to him. To alleviate the effect of tax, Mr. *Rapuokwu* has entered into an arrangement with the management of the company whereby he and the account section sit down to prepare his salary structure quite lower than his earnings. He presents this to the government for the purpose of taxation and by so doing he pay lesser amount as tax to the government than he ought to pay.
 - (a) Identify the name given to the term/approach/method adopted by Mr. *Rapuokwu* in the law of taxation. =4Marks
 - (b) Define and briefly discuss the above term/approach adopted by *Rapuokwu*. =15Marks
 - (c) Discuss the theories used in the categorization of tax. =6Marks
2. (a) In a succinct form, discuss the position of the Local governments regarding the rights to impose and collect tax in the present Nigeria. =10Marks
 - (b) Mention any five qualities/ features that can be used to identify an item as a tax. =5Marks

3. (a) With the aid of a diagram/graph, explain the Regressive Tax system.
=10Marks
- (b) Identify the four taxes that specifically appear in the Exclusive Legislative List of the 1999 Constitution. **=5Marks**
4. Carefully analyse the statutory solution to the taxation problems in Nigeria.
=15Marks
5. (a) Explain the term 'Duty' in relation to Law of Taxation. **=7Marks**
- (b) What do you understand by 'Stamp Adjudication'? **=8Marks**
6. (a) State the two main reasons adduced for the grant of personal reliefs in tax.
=4Marks
- (b) Concisely discuss the term, 'Double Taxation' **=11Marks**