



**NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS
WAY, JABI - ABUJA**

**FACULTY OF LAW
DEPARTMENT OF PUBLIC LAW (PUL)**

OCTOBER/NOVEMBER EXAMINATION 2016

COURSE CODE: LAW 433 (PUL 433)

COURSE TITLE: LAW OF TAXATION I

CREDIT UNIT: 4

TIME ALLOWED: 2 ½ HOURS

INSTRUCTIONS: ANSWER FOUR QUESTIONS ONLY.

QUESTION ONE IS COMPULSORY

QUESTION

1. Nigeria is a country with very rich and long cultural histories which still substantially rub on general polity including our tax system. However, Tax system and operations are not in any way alien to our legal system as it is known that before the invasion of the Europeans in Africa especially Nigeria, the various communities that existed in the landmass that today constitute the entity known as Nigeria, have their respective legal norms and way of lives.
In the light of the above, critically give a detailed account of how taxation was levied and paid before the advent of colonialism and also, account for the evolution of the legal framework of taxation in Nigeria after the advent of British rule in Nigeria.
2. Some of your course mates on law of taxation missed the introductory part of the lectures, due to reasons best known to them. After the lecture on this particular day, the lecturer taking them on the course, announced that, there will be a test in an hour's time on the previous lectures. The reason being that, students have not been attending lecture regularly. As a result of this unexpected test, the sets of students who have been playing truancy and have missed the introductory part of the lecture quickly approached you for a

tutorial. As a student of Taxation, discuss the concept and importance of Taxation in our society.

3. Taxation can be classified into different categories depending on the variant used. As a student of law of Taxation, highlight and discuss in details the various categories of Taxes.
4. It is generally believed that profits and gains are the major chargeable incomes. In view of this, discuss the chargeable income for a business person and a company and the factors used to determine profit for the purpose of taxation.
5. Critically examine the rule that govern the persons upon whom tax is chargeable and vividly discuss how their places of residence would be used to determine the payment of their tax.
6. Explain what you understand by deduction allowance and identify deductions allowable and deductions not allowable.