



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS WAY,**  
**JABI - ABUJA**  
**FACULTY OF LAW**  
**DEPARTMENT OF PUBLIC LAW (JIL)**  
**OCTOBER/NOVEMBER EXAMINATION 2016**

**COURSE CODE: LAW 434 (PUL 434)**

**COURSE TITLE: LAW OF TAXATION II**

**CREDIT UNIT: 4**

**TIME ALLOWED: 2 ½ HOURS**

**INSTRUCTIONS: ANSWER FOUR QUESTIONS ONLY.**  
**QUESTION ONE IS COMPULSORY**

**QUESTION**

- 1.a) Nigerian tax system is still facing some problems which constitute barriers to the actualization of the aims and objectives of the Nigerian tax system. As a tax law student, discuss in details those barriers that constitute clogs to the proper taxation in Nigeria and suggest probable solution you think can halt it.
- b) A company is distinct from its shareholders when it comes to the issue of tax, therefore, as shareholders are chargeable to tax so also the company. Examine the justifiability of this position.
2. List the categories of items that qualify for stamp duties and the ones not qualified and examine why government imposes duties generally.
- 3.a) Discuss the constitutionality or otherwise of the third tier of government in imposing tax on the citizens of Nigeria.
- b) Demonstrate a clear understanding of the advantages and disadvantages of proportional Tax.
- 4.a) Critically examine what you understand by tax exemption or tax holiday and the rationale behind it.
- b) What are the conditions a company must satisfy before it can be granted a pioneer status?
- c) Demonstrate a clear understanding of the advantages and disadvantages of progressive Tax.
- 5.a) Vividly explain what you understand by stamp duties, its essence in the fund generation drive of your state government.
- b) Explain both administrative as well as technical functions of the commissioner for stamp Duties.
- 6.a) Write notes on the following:
  - i. Customs and Excise Duties

- ii. Export Duties
- b) Discuss the various ways tax is being evaded in Nigeria.