

# SOUTHWESTERN UNIVERSITY NIGERIA

KM 20, SAGAMU-BENIN EXPRESSWAY, OKUN OWA, IJEBU-ODE, OGUN STATE.

FACULTY OF SOCIAL & MANAGEMENT SCIENCES

DEPARTMENT OF ACCOUNTANCY

HND TO BSC CONVERSION PROGRAMME

2018/2019 FIRST SEMESTER EXAMINATIONS

**COURSE CODE: ACC 309 COURSE TITLE:** Taxation

**Instruction:** Answer question 1, and any other 3 questions. **TIME:** 2Hrs

1. (a) What is the difference between Taxes and Levies?  
 (b) Explain the following concepts  
 (i) Tax Base  
 (ii) Tax Rate  
 (iii) Tax Yield  
 (v) Tax Impact  
 (v) Tax Burden  
 (vi) Tax Shifting  
 (c) List the sources of Nigeria Tax Law

2. Mr. Francis Egbo was retired from the public service of the Federal Government on 31st March, 2016. He then secured employment with a public limited liability company based in Lagos effective 1st July 2016 as managing director. The following information has been provided by Mr. Francis:

- (a) Salary January 2016 to March 2016 N10,000 per month, new employment N246,000 per annum  
 (b) Pension income effective 1/4/2016 N54,000 p.a.  
 (c) Transport allowance new employment N24,000 p.a.  
 (d) Rent allowance by new employer N100,000 p.a.  
 (e) His entertainment allowance amounted to N2,000 per month no receipts

were

- (f) Dividends presented or received (Gross)  
 (i) Paid 3/3/2015 N9,625  
 (ii) Paid 7/8/2015 N8,415  
 (iii) Paid 26/2/2016 N4,800  
 (iv) Paid 20/8/2016 N6,000  
 (v) Paid 2/12/2016 N7,200

- (g) Rents collected (gross) 1/7/2015 30/6/2016 N84,000  
 (h) Expenses on property  
 (i) Water rate N1,500  
 (ii) General rate N2,750  
 (iii) Repairs and general N 2,500  
 (iv) Insurance 4,800p.a

(i) Capital allowance on building has been agreed with revenue at N16,000  
 (j) Mr. Francis has a life assurance policy on Victoria with sum assured of N200,000 and annual premium of N20,000.  
 (k) He also pays basic N2,150 per month as loan repayment N1,500 being

1. (a) What is the difference between Taxes and Levies?
- (b) Explain the following concepts
  - (i) Tax Base
  - (ii) Tax Rate
  - (iii) Tax Yield
  - (iv) Tax Impact
  - (v) Tax Burden
  - (vi) Tax Shifting
- (c) List the sources of Nigeria Tax Law

2. Mr. Francis Egbo was retired from the public service of the Federal Government on 31st March, 2016. He then secured employment with a public limited liability company based in Lagos effective 1st July 2016 as managing director. The following information has been provided by Mr. Francis:

- (a) Salary January 2016 to March 2016 N10,000 per month, new employment N246,000 per annum
- (b) Pension income effective 1/4/2016 N54,000 p.a.
- (c) Transport allowance new employment N24,000 p.a.
- (d) Rent allowance by new employer N100,000 p.a.
- (e) His entertainment allowance amounted to N2,000 per month no receipts were

- (f) Dividends presented or required.
  - (i) Paid 3/3/2015 N9,625
  - (ii) Paid 7/8/2015 N8,415
  - (iii) Paid 26/2/2016 N4,800
  - (iv) Paid 20/8/2016 N6,000
  - (v) Paid 2/12/2016 N7,200

- (g) Rents collected (gross) 1/7/2015 - 30/6/2016 N84,000
- (h) Expenses on property
  - (i) Water rate N1,500
  - (ii) General rate N2,750
  - (iii) Repairs and general N 2,500
  - (iv) Insurance 4,800p.a
- (i) Capital allowance on building has been agreed with revenue at N16,000
- (j) Mr. Francis has a life assurance policy on Victoria with sum assured of N200,000 and annual premium of N20,000.
- (k) He also pays back N2,150 per month, as loan repayment N1,500 being of principal and the balance representing interest payable) the loan is for the property providing the rental income.
- (l) Other expenses Donation to disabled society N5,000
- (m) His new employer also provide him with a car (costing N350,000) for his exclusive use.

You are required to compute the income Tax Payable by Mr. Francis for 2016 year of assessment.

3. Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in

1.	(a)	What is the difference between Taxes and Levies?	(b)	Explain the following concepts	(c)	List the sources of Tax in Nigeria	(d)	Base Rate	(e)	Yield	(f)	Impact	(g)	Burden	(h)	Shifting	(i)	Law																																				
1.	(a)	What is the difference between Taxes and Levies?	(b)	Explain the following concepts	(c)	List the sources of Tax in Nigeria	(d)	Base Rate	(e)	Yield	(f)	Impact	(g)	Burden	(h)	Shifting	(i)	Law																																				
2.	(a)	Mr. Francis Egbo was retired from the public service of the Federal Government on 31st March, 2016. He then secured employment with a public limited liability company based in Lagos effective 1st July 2016 as managing director. The following information has been provided by Mr. Francis:	(a)	Salary January 2016 to March 2016 N10,000 per month, new employment N246,000	(b)	Pension income effective 1/4/2016 N54,000 p.a.	(c)	Transport allowance new employment N24,000 p.a.	(d)	Rent allowance by new employer N100,000 p.a.	(e)	His entertainment allowance amounted to N2,000 per month no receipts	(f)	Dividends received (Gross)	(g)	Rents collected (gross) 1/7/2015 30/6/2016 N84,000	(h)	Expenses collected on property (gross) 1/7/2015 30/6/2016 N84,000	(i)	Expenses on property	(j)	Water rate N1,500	(k)	General rate N1,500	(l)	Repairs and general rate N2,750	(m)	Insurance and general rate N2,500	(n)	Capital allowance on building has been agreed with revenue at N16,000	(o)	Mr. Francis has a life assurance policy on Victoria with sum assured of N200,000	(p)	Mr. Francis has a life assurance policy on Victoria with sum assured of N200,000	(q)	He also pays base N2,150 per month, as loan repayment N1,500 being	(r)	He also pays base N2,150 per month, as loan repayment N1,500 being	(s)	of principal and the balance representing interest payable) the loan is for	(t)	of principal and the balance representing interest payable) the loan is for	(u)	property providing the rental income.	(v)	Other expenses Donation to the disabled rental society N5,000	(w)	His new employer also provide him with a car (costing N350,000) for his	(x)	His new employer also provide him with a car (costing N350,000) for his	(y)	exclusive use.	(z)	exclusive use.
3.	(a)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(b)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(c)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(d)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(e)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(f)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(g)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(h)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(i)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(j)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(k)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(l)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(m)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(n)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(o)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(p)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(q)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(r)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(s)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(t)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(u)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(v)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(w)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(x)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(y)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in	(z)	Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in		

You are required to compute the income Tax Payable by Mr. Francis for 2016 year of assessment.

3. Mr. Wazobia is employed on full time as a production engineer of a manufacturing company in Lagos. He also owns an engineering workshop set-up for building and manufacturing in

