18099

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – M.Com.(BFA)-2024
Course Name – Corporate Tax Planning and Management
Course Code - MBF30111
(Semester III)

Full Marks : 60 **Time : 2:30 Hours**

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A
(Multiple Choice Type Question) 1 x 15=15

1. *Choose the correct alternative from the following :*

(i) Choose the term that represents the final amount on which corporate tax is calculated.
a) Gross revenue
b) Operating profit
c) Taxable income
d) Net worth

(ii) State the typical frequency for filing corporate tax returns.
a) Daily
b) Weekly
c) Annually
d) Bi-annually

(iii) Tell about the primary goal of allowable deductions.
a) To increase a corporation tax liability.
b) To reduce the amount of income subject to tax.
c) To determine the company market value.
d) To calculate employee bonuses.

(iv) Choose the primary purpose of an overview of corporate tax forms.
a) To provide entertainment.
b) To guide corporations in preparing and submitting their returns.
c) To advertise new products.
d) To explain investment opportunities.

(v) Select the aspect that determines the scope of corporate taxation.
a) The number of company cars.
b) The legal structure and activities of the corporation.
c) The personal income of the CEO.
d) The company social media presence.

(vi) Tell me about the role of credits in corporate tax calculation.
a) They increase the amount of tax owed.
b) They directly reduce the amount of tax payable.
c) They are irrelevant to tax liability.
d) They are used for marketing purposes.

(vii) Identify a methodology for assessing tax risks.
a) Employee performance reviews.
b) Developing a risk matrix or conducting a tax risk audit.
c) Market research.
d) Product development lifecycle.

(viii) Define common causes of tax disputes.

a) Perfect tax compliance.
b) Discrepancies in interpretations of tax law, errors in filing, or aggressive tax positions.
c) High profits.
d) Strong customer loyalty.

(ix) Tell about the proactive approach to tax risk management.

a) Waiting for problems to arise.
b) Anticipating potential tax issues and implementing strategies to prevent or minimize their impact.
c) Ignoring tax notices.
d) Only reacting to tax audits.

(x) Select a future trend in CSR and taxation.

a) Decreased corporate responsibility.
b) Growing emphasis on responsible tax behavior as part of a broader CSR strategy.
c) CSR becoming less regulated.
d) Taxes on all CSR activities.

(xi) Tell about the importance of preparing for future tax challenges.

a) It is not necessary to prepare.
b) It allows businesses to adapt proactively to new regulations and maintain compliance.
c) It increases uncertainty.
d) It is only for tax authorities.

(xii) Define ethical issues in corporate tax planning.

a) Legal loopholes that can be exploited without consequence.
b) Dilemmas where maximizing profit conflicts with moral principles or the spirit of tax law.
c) Strategies for increasing tax payments.
d) Decisions that only benefit individual employees.

(xiii) Identify a risk associated with unethical tax planning.

a) Improved public image.
b) Reputational damage, legal penalties, and loss of investor confidence.
c) Increased market share.
d) Higher employee morale.

(xiv) Select a method for ensuring that tax planning remains ethical.

a) Avoiding any external oversight.
b) Regular review by independent ethics committees or external counsel.
c) Relying solely on the tax department judgment.
d) Ignoring public opinion.

(xv) Describe how digital tools contribute to better risk management in tax planning.

a) By increasing the likelihood of human error
b) By providing real-time insights and identifying potential compliance issues
c) By making tax laws more ambiguous
d) By eliminating the need for any internal controls

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Describe the importance of corporate taxation. (3)
3. Summarize the role of tax planning in corporate strategy. (3)
4. Describe a key eligibility criterion for R&D tax credits. (3)
5. Summarize the purpose of industry-specific tax incentives. (3)
6. Summarize the role of CSR in tax planning. (3)

OR

Assess the benefit of using AI in tax compliance. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Describe the key tax laws and regulations affecting corporations in India and explain the implications of non-compliance. (5)
8. Differentiate between government grants and subsidies, and thoroughly explain their tax implications for recipients and their strategic use in tax planning. (5)
9. Explain common tax risks in corporate environments and assess various risk assessment methodologies and tools used for identifying these risks. (5)
10. Describe the tax benefits available for renewable energy investments in India and how they align with sustainable business practices for tax savings. (5)
11. Summarize the importance of compliance and reporting in tax risk management for Indian companies, detailing how technology can be utilized for enhanced compliance. (5)
12. Summarize the major global tax reforms impacting multinational corporations. (5)

OR

Explain the intersection of ESG principles and tax strategy and describe how this is influencing corporate tax planning for sustainable practices in India. (5)

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