



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**FACULTY OF LAW**  
**DEPARTMENT OF PUBLIC LAW**  
**2017\_2 EXAMINATION QUESTIONS**  
**JANUARY 2018**

**COURSE CODE: PUL434**

**COURSE TITLE: LAW OF TAXATION 11**

**TIME ALLOWED: 2 ½ HOURS**

**INSTRUCTION: ANSWER QUESTION 1 (ONE) AND ANY OTHER 3 (THREE) QUESTIONS. (QUESTION 1 (ONE) ATTRACTS 25 MARKS)**

1. Mr. Odigwe has operated three business outlets in the major cities of Nigeria for fairly long time now. Though the neighbourhood knows Mr. Odigwe to be a gentle and honest businessman, they were taken aback on early Tuesday morning to learn that he had been arrested and arraigned in respect of his business. Mr. Odigwe has been accused of furnishing the authority with false information regarding his businesses.

From Mr. Odigwe's experience, briefly discuss the major problems in Nigerian Tax System and show why Nigerians avoid tax payment.

2. (a) With the aid of case law, define the term 'Tax'.

(b) In what ways can you differentiate taxes from charges, fines, penalties fees and contributions which government can levy on the populace?

3. (a) Differentiate between Direct and Indirect Tax Systems

(b) Mention at least three advantages and two disadvantages of Progressive Tax System

4. Experience in Nigeria has revealed that Nigerians are generally unwilling to pay taxes. They either entirely avoid tax payment or supply the authority with false information concerning their source of income. Aside from this, tax administrators seem not to be transparent in their duty. This and more have led to loss of huge revenue on the part of the governments. As a law of taxation student, advice the government on the steps to take in solving the taxation problems in Nigeria.

5. (a) What is a 'Duty' in law of taxation.

(b) State at least three categories of duty in taxation law

6. Briefly relate the history of taxation powers in Nigeria.