



FACULTY OF BUSINESS MANAGEMENT
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: MBA

YEAR/SEM: YEAR 2/SEMESTER 1

COURSE CODE: MBA 810

NAME: TAXATION

DATE: 2025-04-14

TIME: 2:00-5:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A SECTION A IS COMPULSORY

Question 1:

CASE STUDY

1. Customs is a department in Uganda Revenue Authority responsible for collecting taxes on imports and exports and in so doing facilitate, International Trade. The two types of Customs Duties collected under International Trade are Import and Export duty. There are however, other taxes collected by Customs such as; Excise Duty, VAT, and withholding tax.

Question. Mercy co. Limited located in Kikuubo-Kampala imported Vehicles from Japan. The Cost of the Vehicles was US \$100,000. The Company paid US \$ 10,000 for Insurance and US \$ 20,000 for Freight to Entebbe (Uganda). The Vehicles attract an import duty of 6%, Exercise Duty of 40%, VAT 18% and withholding tax 6%. Please find the CIF Value in Uganda Shillings and Compute the tax payable for the Vehicles after considering Import Duty, Excise Duty, VAT and Withholding Tax. given that exchange rate at the time of importation was UG X 3,700 to US \$. (40 Marks)

Section B ATTEMPT ANY THREE QUESTIONS FROM THIS SECTION

Question 1:

Using relevant examples and illustrations discuss various classification of Taxes, Proportional tax, Progressive and regressive Taxation. (20 marks)

Question 2:

Explain with examples the Rights and Obligations of a Taxpayer (20 Marks)

Question 3:

- A. Explain with examples the Advantages of Indirect Taxes (10 Marks)
- B. Why is tax planning and Management so important (10 Marks)

Question 4:

Hajjat Aisha Anisa is a landlady with steady tenants. She earned rental income from her houses. below for the year ended 31st December 2024 as follows

Location	Monthly rent (shs)	Monthly maintenance
Expenditure (shs)		
Plot 6, Ntinda	300,000	50,000
Plot 7, Muyenga	400,000	60,000
Plot 10, Makerere	200,000	30,000

Required

Compute Hajjati's rental income tax for the year ended 31st December 2024 (20 Marks)

Question 5:

- A. What are the Main features of a Customs Union? (10 Marks)
- B. What are the Disadvantages of the Indirect Taxes (10 Marks)

Question 6:

- What are the Challenges faced by the URA (Uganda) and why? (10 Marks)
- Discuss the role of Tax in your Country (10 Marks)