| Course No: ACCA3305 | University of Palestine | Instructor Name: Dr. Ahmed Al-Afifi |
|---|---|---|
| **Course No: ACCA3305**<br>**Course Title: Tax Accounting**<br>**Date: __/11/2016**<br>**No. of Questions: (4)**<br>**Time: 1hours**<br>**Using Calculator (Yes)** | **University of Palestine**<br><br>**2ⁿᵈ Midterm Exam**<br>**first Semester**<br>**2016/2017**<br>**Total Grade: 30** | **Instructor Name: Dr. Ahmed Al-Afifi**<br>**Student No.: _____**<br>**Student Name: _____**<br>**College Name: Business and Finance**<br>**Dep. / Specialist: Accounting-English**<br>**Using Dictionary (No)** |

## Question One: State whether the following statements are true or false:

| | statement | T/F |
|---|---|---|
| 1. | If The taxpayer submits and paid tax declaration in the first month of the following tax period, he will have (4%) discount from the tax due after deducting the advances paid. | |
| 2. | The deduction of entertainment expenses by (1%) of total income or 300,000 NIS annually, whichever is lower for corporation. | |
| 3. | If taxpayers delay or don't pay Tax, fine shall be imposed (3%) of the tax due for each month of delay up to a maximum amount not exceeding (20%), | |
| 4. | If the loss reached an amount that cannot be fully deducted, the loss shall be carried over to the following tax period that not exceed 4 tax periods. | |
| 5. | The income of endowments (AWQAF), and orphans' funds that are established by law is exempt of tax. | |
| 6. | According to classified system, **tax are levied on the total income of the taxpayer, no matter how many sources of income.** | |
| 7. | The assessor cannot reject tax declaration totally. He only has authority to reject it partially or modify it if he had the evidence against the validity of data. | |
| 8. | Administrative assessment reduce the administrative costs that related to examine and collect tax amounts by the tax administration. | |

## Question Tow: Multiple Choose (write answer steps for calculation question):

**1- The tax assessed by assessor if taxpayer don't submit tax declaration or if it is totally or partially rejected is:**

  **a)** Assessment by the Court        **b)** Self-assessment

  **c)** Administrative assessment      **d)** Tax declaration

2- **Salem is a nature taxpayer; he has two sources of income: 100,000 and 20,000 NIS. According to classified system, tax amount is: write the answer steps**

  **e)** 7500 NIS.                **f)** 6,000 NIS.

  **g)** 120,000 NIS.            **h)** 5,500 NIS.

**Answer** _____
_____

**3- The assessor depends on personal property of the taxpayer like buildings or cars. He uses the:**

  **a)** Risky assessment.          **b)** Taxpayer appearances assessment.

  **c)** Court Assessment           **d)** None of them.

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## Question Three:

**Taxpayer (natural person) provides his tax report for 2015 as the following:**

| Income "salary" | 12,000 NIS |
|---|---|
| Income "rented building" | 80,000 |
| Total income | 200,000 |

In the tax department, the tax assessor found that:

1.  He provided Payment receipt from property tax dep. 9,200 NIS as property tax.

2.  The tax assessor found in co. salaries' report that the taxpayer's salary was deduct 120 NIS per month.

3.  The taxpayer is married and has three sons study in Palestine University.

4.  10% of rented building was approved as an expenses.

**Required**: **what are the tax amount of salary and rented building?**

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## Question Four:

1- **The corporation suffered loss as 100,000 NIS. The following six years they made profit: 20,000NIS, 30,000NIS, 10,000NIS, 30,000NIS, 80,000NIS, and 35,000NIS.**

   **What is the tax amount for every year?**

2- **What is self-assessment? And what are the advantages of self-assessment?**

End of Questions
*Good Luck*