



**UNIVERSITY OF ESWATINI
INSTITUTE OF DISTANCE EDUCATION
DIPLOMA IN LAW
FINAL EXAMINATION PAPER AUGUST 2020**

TITLE: Introduction to Tax Law

COURSE CODE: IDE – Law 220

TIME ALLOWED: 3 hours

INSTRUCTIONS:

- 1. Answer any 5 questions. There are 7 questions in this exam.**
- 2. Each question has 20 marks. Please pay attention to the marks allocated for each question so that you can understand how much time you should spend on each question.**
- 3. Ensure to underline your cases, references and vernacular terms.**
- 4. Total marks = 100.**

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION TO DO SO HAS BEEN GRANTED BY THE INVIGILATOR.

Question 1

In respect to revenue mobilisation, describe what the components of SACU receipts are and describe how each component is computed. [20 marks]

Question 2

The Special Economic Zones Act, 2018 makes provision for the declaration of Special Economic Zones in Eswatini. Describe what the provisions of the Act are in relation to providing for tax incentive and give your criticism of the provisions in relation to your understanding of the reasons for paying tax in Eswatini. [20 marks]

Question 3

Describe the major tax reform legislations and amendments and briefly state how they reform the tax landscape in Eswatini. [20 marks]

Question 4

- a. Define, compare and contrast juridical double taxation and economic double taxation. [10 marks]
- b. What are the functions of Double Tax agreements? [10 marks]

Question 5

In respect to the following benefits an employee may receive from an employer, describe the tax treatment for each one:

- Medical aid contributions
- Contribution to a pension fund
- Provision of car allowance

[20 marks]

Question 6

a. Discuss Source and Residence and how they are relevant for juridical double taxation. [10 Marks]

b. Using examples, define the difference between juridical double taxation and economic double taxation. [10 marks]

Question 7

Define the input tax credit and describe the three ways defined in Section 28 of the VAT Act, 2011 by which it may be computed. [20 marks]