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Name.....

Reg. No.....

THIRD SEMESTER M.Com. DEGREE EXAMINATION, NOVEMBER 2016
(CUCSS - PG)

CC15P MC3 C12 - INCOME TAX LAW & PRACTICE

(2015 Admission)

Time : Three Hours

Maximum : 36 Weightage

PART A

(Answer *all* questions. Each question carries 1 weightage)

1. What is Short-Term Capital Asset?
2. What is CBDT?
3. Who is 'Deemed Assessee'?
4. What do you mean by Aggregation of Income?
5. Who can be a partner of a firm?
6. What do you mean by Best Judgment Assessment?

(6 x 1 = 6 Weightage)

PART B

(Answer *any six* questions. Each question carries 3 weightage)

7. Briefly explain the provisions relating to the computation of Tax liability of Trusts.
8. Briefly explain the provisions related with the filling of return in computer media.
9. Explain the procedure for the computation of Book Profit of firms.
10. The income of a Co-operative Society for previous year is constituted as below:

	RS
Income from Business	5000
Income from processing the agricultural produce of its members (without the aid of power)	6000
Income from fishing and allied activities	4000
Income from interest on Securities (gross)	2500
Income from House Property (computed)	2300

Compute the total income of the Society and calculate the tax payable by it for the assessment year 2016-17.

11. A, B and C are partners of a firm with equal shares. The profit and loss account for the year ended 31-03-2016 shows net profit of Rs 99750 after debiting the following as per deed.
 - a) Salaries of Rs 20000 and Rs 15000 to A and B respectively.
 - b) Bonus to 'C' Rs 15000.
 - c) Rs 5000 for interest on capital to 'A' calculated @ 20%.
 - d) Rs 10000 for rent of the business premises paid to 'B'.
 - e) Commission of Rs 5000 to 'C'.

Compute Book Profit of the firm for the AY 2016-17, assuming that it is a professional firm and all are working partners.

(1)

12. From the following information compute the total income of the firm and tax payable by it for the assessment year 2016-17:

	Rs
Profit from an industrial undertaking	40000
Profit from business of Poultry breeding	20000
Short-term Capital gains	20000
Long-term Capital gains	40000
Interest from bank	6000
Loss from house property Rs 10000 on account of interest on loan taken to construct the property	
Donation to approved Charitable Institution by cheque	15000

13. Mr. Syam sold sugar for Rs 10000. Processing costs Rs 3000 were incurred. The cost of sugar cane grown was Rs 3600. Market value of sugar cane was Rs 5200. Calculate his income.

14. Mr. Kumar, who is totally blind, submits the following information. Compute his Total Income:

	Rs
Salary received (Per month)	30000
Rent received (Per month)	4000
Dividend from Co-operative Society	2000
Interest from a firm(Gross)	8000
Interest on Government Securities	1000
Winning from Lotteries	115000
NSC VIII issue purchased during the year	10000
Deposit under Public Provident Fund	31000
Long-term Capital Gain (Building)	235000
Short-term Capital Loss	20000
Donation to State Government for promoting Family Planning by cheque	40000

(6 x 3= 18 Weightage)

PART C

(Answer *any two* of the following. Each question carries 6 weightage)

15. Explain the different types of assessment of income tax.

16. The following particulars are of taxable income under the various heads of Mr. Tom for the previous year 2015-16:

	RS
Income from house property	18000
Income from the following business	
Profit from the cloth business	35000
Loss from Sugar business	16000
Loss from silver business	22000
Loss from share speculation	15000
Profit from specified business	70000
Income from other sources	60000

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Loss from the house property for the assessment year 2014-15 is brought forward Rs 7500. Loss from specified business for the assessment year 2014-15 is brought forward Rs 100000. Compute gross total income after setting off the losses. Is there any loss which can be carried forward?

17. The following details have been supplied by the Karta of a HUF. Compute the total income for the A.Y 2016-17:

	Rs
a Profit from business	590000
b Salary received by a member of HUF	10000
c Director's fees received by Karta	8000
d Rent from let out property	20000
Municipal taxes paid	1000
e Annual municipal value of the joint family house	18000
Municipal taxes paid	1000
Interest on loan for construction of house	20000
f Interest	5000
g Long-term capital gains from transfer of buildings	10000
h Profit from an AOP (1/4th share)	10000
i Dividend from companies (Gross)	10000
j Donation to N.D.F	5000
k Medical Insurance Premium on the health of the members of the family paid by cheque	6000
l Premium paid on LIC policies	19000

(2 x 6 =12 Weightage)
