

23U338

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Name: .....

Reg. No: .....

**THIRD SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV.2024**

(CUCBCSS-UG)

(Regular/Supplementary/Improvement)

**CC17U BCP3 B10 – INCOME TAX LAW AND PRACTICE**

(Core Course)

(2017 Admissions onwards)

Time: Three Hours

Maximum: 80 Marks

**PART A**

Answer *all* questions. Each question carries 1 mark

I. Choose the correct answer:

1. An individual assessee can be:
  - a) Resident
  - b) Not-ordinarily resident
  - c) Non-resident
  - d) All of these
2. The following allowance is fully taxable
  - a) H.R.A.
  - b) Uniform allowance
  - c) C.C.A.
  - d) Education allowance
3. If the house is vacant throughout the year, its annual value is equal to:
  - a) Nil
  - b) Standard rent
  - c) Municipal value
  - e) None of these
4. The following income is not included in salary income:
  - a) Pension
  - b) Gratuity
  - c) Provident Fund
  - e) Family pension
5. Salary of MLA is taxable under the head:
  - a) Income from salary
  - b) Income from house property
  - c) Capital gain
  - e) Income from other sources

II. Fill in the blanks:

6. Depreciation not charged on account of insufficient profit is called -----
7. From annual value a standard deduction of ----- is made.
8. Any benefit or facility provided by employer to employee in addition to salary is called --  
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9. Agricultural income from India is -----
10. Ground rent is taxable under the head -----

**(10 × 1 = 10 Marks)**

(1)

**Turn Over**

**PART B**

Answer any *eight* questions from the following. Each question carries 2 marks.

11. What do you mean by grossing up?
12. Define salary.
13. Who is a non-resident individual?
14. What is meant by Long Term Capital Gain?
15. How will you treat arrear rent received?
16. Explain section 80 G of Income Tax Act?
17. What is sub-letting?
18. Give any three fully taxable allowances.
19. What is meant by incidence of tax?
20. Explain block of assets?

(8 × 2 = 16 Marks)

**PART C**

Answer any *six* questions from the following. Each question carries 4 marks.

21. Mr. Prakash owns a house. The municipal value is ₹ 64,000 and fair rental value ₹ 65,000. Standard rent is fixed at ₹ 63,000. The house is let out on a monthly rent of ₹ 6,400. What is the gross annual value of the house?
22. How will you deal with different types of Provident Fund?
23. Miss Pal, an Indian citizen, left India for first time on 1st April, 2023 for joining job in Tokyo. She came to India on 11th Jan, 2024. Determine her residential status for P.Y. 2023-24.
24. Mr. Tom is now working at Kochi on a salary of ₹ 6,000 pm. The employer allows him an HRA of ₹ 600 pm. However, the actual rent paid by the employee is ₹ 800 pm. Calculate his taxable HRA.
25. Explain any 10 exempted incomes.
26. On 23rd December, 2023, Rajat sold 500 grams of gold, the sale consideration of which was ₹ 13,50,000. He had acquired this gold on 20th August, 2000 for ₹ 4,00,000. Fair market value of 500 grams of gold on 1st April, 2001 was ₹ 3,60,000. Find out the amount of capital gain chargeable to tax for the assessment year 2024-25.
27. Compute income from other sources of Mrs. Parvathy:
 

a) Income from royalty (expenses incurred 3,000)	₹ 20,000
b) Agricultural income from Africa	₹ 15,000
c) Rent from sub-letting (rent paid ₹ 3,000)	₹ 8,000
d) Dividend from a co-operative society	₹ 12,000
e) Family pension received	₹ 30,000
f) Remuneration for lectures	₹ 10,000

28. Explain the provisions relating to set off and carry forward of losses

(6 × 4 = 24 Marks)

**PART D**

Answer any *two* questions from the following. Each question carries 15 marks

29. Mr. Ravi, an employee is now working at Kolkata. His particulars of income during the previous year 2023-24 are given below.

Basic pay	₹ 25,000 pm
DA (under the terms of employment)	₹ 30,000
Commission @ 2% on turnover (turnover 10,00,000)	
CCA	₹ 1,000 pm
Medical allowance	₹ 750 pm
Servant allowance	₹ 1,000 pm
House rent allowance	₹ 3,000 pm
Festival allowance	₹ 4,000

Compute his gross salary if the actual rent paid by him for the house occupied by him during the year was ₹ 48,000.

30. The profit & loss account of Manohar disclosed a net profit of ₹ 5,96,000 before charging the following:

i. Donation to charitable trust	₹ 10,000
ii. Depreciation on patents	₹ 30,000
iii. Rent of building	₹ 50,000
iv. Provision for taxation	₹ 50,000
v. Provision for doubtful debts	₹ 5,000
vi. Life insurance premium	₹ 80,000
vii. Transfer to reserve	₹ 10,000
viii. Salaries and bonus to staff	₹ 50,000

Compute business income for the AY 2024-25

31. Write a note on chapter VI A deductions under Income Tax Act 1961.

(2 × 15 = 30 Marks)

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