

30. Ganesh has a property whose municipal valuation is ₹ 2,50,000 p.a. The fair rent is ₹ 2,00,000 p.a. and the standard rent fixed by the Rent Control Act is ₹ 2,10,000 p.a. The property was let out for a rent of ₹ 20,000 p.m. However, the tenant vacated the property on 31.1.2024. Unrealised rent was ₹ 20,000 and all conditions prescribed by Rule 4 are satisfied. He paid municipal taxes @10% of municipal valuation. Interest on borrowed capital was ₹ 65,000 for the year. Compute the income from house property of Ganesh for A.Y. 2024-25

31. Write a note on deductions from gross total income under Income Tax Act 1961.

(2 × 15 = 30 Marks)

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(Pages: 3)

Name:

Reg. No:

THIRD SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV. 2025

(CUCBCSS-UG)

CC17UBCP3B10 – INCOME TAX LAW AND PRACTICE

(B.Com. Professional – Core Course)

(2017 to 2023 Admissions – Supplementary/Improvement)

Time: Three Hours

Maximum: 80 Marks

PART- A

Answer ***all*** questions. Each question carries 1 mark.

Choose the correct answer:

1. Capital gain on depreciable asset will always be.

(a) STCG	(b) Long term capital gain
(c) Tax free	(d) None of these
2. Concealment of income or false claims to reduce tax liability are cases of

(a) Tax evasion	(b) Tax planning
(c) Tax avoidance	(d) Tax management
3. If the house is vacant throughout the year, its annual value is equal to:

(a) Nil	(b) Standard rent
(c) Municipal value	(d) None of these
4. The following income is not included in salary income:

(a) Pension	(b) Gratuity
(c) Provident Fund	(d) Family pension
5. Which of the following is not chargeable to tax under the head income from other source?

(a) dividend from a cooperative society	(b) Prize on crossword puzzle
(c) Profit on sale of goodwill of a business	(d) Interest from bank

Fill in the blanks:

6. Municipal tax is allowed as a deduction if it is paid by the ----- of the property.
7. The year in which income earned is known as -----
8. Depreciation not charged on account of insufficient profit is called -----
9. Ground rent is taxable under the head -----
10. Including the income of other person with the income of an individual is called -----

(10 × 1 = 10 Marks)

Part B

Answer any ***eight*** questions. Each question carries 2 marks.

11. What are the deductions allowed from annual value of a house property while computing the income from house property?

(1)

Turn Over

12. What is subletting?

13. How will you treat arrear rent received?

14. What is meant by incidence of tax?

15. Explain section 80 G of Income Tax Act?

16. Explain block of assets?

17. What is meant by unabsorbed depreciation?

18. What is section 80D of the income tax Act?

19. Who is a specified employee?

20. What are perquisites?

(8 × 2 = 16 Marks)

Part C

Answer any **six** questions. Each question carries 4 marks.

21. From the following information compute the annual value of the house:

Municipal value: ₹ 1,50,000

Standard rent: ₹ 1,60,000,

Fair rent: ₹ 1,80,000

Actual rent: ₹ 20,000 p.m.

Municipal tax paid by the owner 20% of M.V.

Unrealised rent ₹ 40000. Conditions of Rule 4 are satisfied.

22. Mr. Lalith an ordinary resident in India earned the following incomes during the financial year 2024-25.

Directors fee	₹ 2,000
Income from agricultural land in Pakistan	₹ 5,000
Interest on postal saving bank account	₹ 100
Interest on deposit with industrial finance corporation of India	₹ 500
Dividend from foreign company	₹ 700
Rent from subletting a house	₹ 28,000
Rent payable by Mr. Lalit for the sublet house	₹ 12,000
Other expenses incurred on this sublet house	₹ 1,000
Winning from horse race	₹ 12,300
Interest on securities	₹ 4,000

You are required to calculate 'income from other source of Mr. Lalit for the assessment year 2024-25.

(2)

23. Mr. Akash a bank employee is now working at Mumbai. His particulars of income during the previous year are given below.

Basic pay ₹ 2,50,000

Dearness allowance ₹ 35,000 (under the terms of employment)

Commission @ 3% on turnover achieved by him ₹ 5,00,000

HRA received ₹ 45,000.

Determine the taxable amount of HRA if the actual rent paid by him for the house occupied by him during the year was ₹ 55,000.

24. Mr. Sreenath sold his property in January 2025 at ₹ 55 lakh, which he had purchased in December 2023 for ₹ 35 lakh. He spent around ₹ 3 lakh on house improvement during the period and also paid a brokerage of 0.5 percent of the sale price of the house at the time of selling the house. What will be his taxable capital gain?

25. Explain the tax treatment in H.R.A.

26. State any ten incomes exempted from income tax.

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

28. Explain how to determine the residential status of a person.

(6 × 4 = 24 Marks)

PART D (Essay Questions)

Answer any **two** questions. Each question carries 15 marks.

29. Mr. Raj, an employee is now working at Kolkata. His particulars of income during the previous year 2024-25 are given below.

Basic pay ₹ 35,000 pm

DA (under the terms of employment) ₹ 40,000

Commission @ 2% on turnover (turnover 10,00,000) CCA ₹ 1,500 pm

Medical allowance ₹ 700 pm

Servant allowance ₹ 2,000 pm

Children education allowance for two children ₹ 1,200 pm

House rent allowance ₹ 3,000 pm

Festival allowance ₹ 4,500

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

(3)

Turn Over