

30. The total income of an Association of Persons in which A, B and C are members sharing profit and losses in the ratio 1:2:2 was assessed at ₹ 16,000. In computing the total income of ₹ 16,000, the Assessing Officer has made the necessary adjustments in respect of the following sums:

- (a) Salaries of ₹ 6,000 and ₹ 4,000 to A and B respectively.
- (b) Interest on capital ₹ 7,000, ₹ 10,000, ₹ 25,000 to A, B and C respectively.
- (c) Commission of ₹ 1,000, ₹ 3,500 and ₹ 4,500 to A, B and C respectively.
- (d) Bonus of ₹ 1,000, ₹ 1,500 and ₹ 2,500 to A, B and C respectively.

C has borrowed capital for investment in the AOP and had paid interest of ₹ 15,000 separately to the lender. Members do not have any other income. Allocate the income amongst the members.

31. Who are the authorities for the purpose of Income Tax Act? Briefly explain their powers?

(2 x 15 = 30 Marks)

(4)

18U457

(Pages: 3)

Name:

Reg. No.....

FOURTH SEMESTER B.Com. PROFESSIONAL. DEGREE EXAMINATION, APRIL 2020

(Regular/Supplementary/Improvement)

(CUCBCSS-UG)

CC17U BCP4 B15 - BUSINESS AND CORPORATE TAXATION

(B.Com. Professional - Core Course)

(2017 Admission onwards)

Time: Three Hours

Maximum: 80 Marks

Part A

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

I. Fill in the blanks:

1. The standard deduction allowed from the Net Annual Value of the House Property calculated under the Head 'Income from House Property' would be at the rate of _____.
2. The basic exemption limit in case of a nonresident individual being a senior citizen is _____.
3. In the case of domestic company, surcharge rate is _____ if total income exceeds one crore rupees but does not exceed 10 crore rupees.
4. CBDT stands for _____.
5. Interest on capital and loan to partners, if authorized by the partnership deed, is allowable as deduction from the firm's profit, but not exceeding the amount calculated at the rate of _____ per annum.

II. Choose the correct answer:

6. Income tax is levied on the _____ of a person.
(a) Total income (b) Total income - Debt
(c) Gross Total Income (d) Net income - Debt
7. The term "income" includes the following types of incomes.
(a) Legal (b) Illegal
(c) Legal and Illegal (d) None of these
8. Share of _____ from partnership firm is exempt under section 10(2A)
(a) Interest (b) Profit
(c) Remuneration (d) All of the above

(1)

Turn Over

9. Self-assessment is done by
 (a) Income Tax Officer (b) Employer
 (c) Assessee (d) CBDT
10. The aggregate of income under various heads after making deductions under Chapter VI A of the Income Tax Act is _____.
 (a) Gross Total Income (b) Net Income
 (c) Total Income (d) Net Taxable Income

(10 x 1 = 10 Marks)

Part BAnswer any *eight* questions. Each question carries 2 marks.

11. What is Book Profit under Income Tax Act?
 12. Provide the Income Tax rates applicable for an AOP?
 13. Write a note on revised return of income.
 14. Define 'Charitable Purpose' under Income Tax Act.
 15. What is TCS?
 16. What is PAN?
 17. What is meant by the expression "Best Judgement Assessment"?
 18. What is Gross Total Income?
 19. What is Previous year?
 20. Write a note on voluntary return of income?

(8 x 2 = 16 Marks)

Part C (Short Essay Questions)Answer any *six* questions. Each question carries 4 marks.

21. What are the types of Income Tax Returns?
 22. How is the residential status of an Individual determined?
 23. Give any four deductions available to a cooperative society under section 80P of Income Tax Act?
 24. Mention the exempted income under section 11 of a trust which is wholly for charitable purpose?
 25. X, Y and Z are partners of a firm with equal shares. The profit and loss account for the year ended 31.3.2018 shows a net profit of ₹ 2,80,000 after debiting ₹ 7,000 for interest paid to X at 20%; ₹ 60,000 for salary paid to Y and ₹ 44,000 for rent of the business premises paid to Z. Compute the book profit of the firm. The firm fulfills the conditions of section 184 of the Income Tax Act.

26. State the types of assessment specified in the Income Tax Act?

27. Mr. Shyam has the following income for the previous year ended 31st March 2018.

- | | |
|---|-------------|
| • Business profits | ₹ 5,50,000. |
| • Short Term Capital Gain | ₹ 12,000. |
| • Long term Capital Gain relating to land and building | ₹ 18,000. |
| • Long Term Capital Gain relating to other capital assets | ₹ 10,000. |
| • Compensation for loss of agency | ₹ 1,24,000. |
| • Long Term Capital Loss on sale of an asset | ₹ 16,000. |

Compute the taxable income of Mr Shyam for the assessment year 2018-19.

28. From the following information compute tax payable by Z Ltd for the assessment year 2019-20.

- (a) Total income of the company for the previous year 2018-19 ₹ 6,00,000.
 (b) Book profit under section 115 JB of the company for the previous year 2018-19 ₹ 8,00,000.
 (c) Brought forward credit under section 115JAA from the assessment year 2018-19 ₹ 1,50,000.

(6 x 4 = 24 Marks)

Part D (Essay questions)Answer any *two* questions. Each question carries 15 marks.

29. Kelltron Electronics Ltd is a domestic company in which public are substantially interested. The following are the particulars of income for the previous year 2018-19.

- | | |
|---|-------------|
| (i) Interest on Govt. securities | ₹ 20,000. |
| (ii) Income from business | ₹ 5,00,000 |
| (iii) Short Term Capital Gain | ₹ 15,000. |
| (iv) Long Term Capital Gain | ₹ 33,000. |
| (v) Dividend from an Indian company (gross) | ₹ 10,000. |
| (vi) Dividend from a foreign company | ₹ 10,000. |
| (vii) Book profit under section 115 JB | ₹ 9,00,000. |

Compute the taxable total income of the company and tax payable by it for the assessment year 2019-20.