

30. Explain any 15 exempted incomes.

31. Mr. Om is a cloth merchant. From the following P/L A/c for the year ended 31st March, 2022. Compute his income from business and his gross Total income for the assessment year 2022-23

	Rs.		Rs.
Salaries and wages	15,000	Gross Profit	2,70,000
Rent and taxes	4,000	Dividend on shares (Gross)	4,000
Domestic expenses	2,500	Rent from building let out	10,000
Income tax	1,200		
Postal charges	1,500		
Donation	2,500		
Life insurance premium	2,000		
Audit fees	1,500		
Bad debt reserve	1,800		
Bad debt	2,500		
Depreciation	5,000		
Net profit	2,44,500		
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	2,84,000		2,84,000
	=====		=====

Other informations:

- Rent and taxes include Rs 2,000 paid as municipal Tax on building let out.
- Value of life insurance policy Rs 18,000
- Donation was given to an approved institution
- Permissible depreciation was Rs 4,000

(2 × 15 = 30 Marks)

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Name:

Reg. No:

FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2022

(CUCBCSS-UG)

CC17U BC5 B09 - INCOME TAX LAW AND PRACTICE

(Commerce – Core Course)

(2017, 2018 Admissions – Supplementary/Improvement)

Time: Three Hours

Maximum: 80 Marks

Part A

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

- The word 'Tax' is derived from.
 - Taxation
 - taxable
 - tax
 - none of these
- The rate of depreciation on Intangible asset is
 - 25%
 - 15%
 - 20%
 - 5%
- Interest on loan taken before 1.4.1999 for construction or repairs of self-occupied house shall be deducted upto Rs _____
 - 30,000
 - 1,50,000
 - 25,000
 - 1,00,000
- The basis of Income from House Property is
 - Annual Value
 - Standard rent
 - Municipal value
 - Fair Rental Value
- The income from sale of house hold furniture is
 - Taxable Income
 - Exempted Income
 - Capital Gain
 - Revenue Gain

Fill in the blanks:

- Rate of tax on lottery winning is _____
- Previous year of the assessment year 2022-23 is _____
- Minimum exemption limit for the assessment year 2022-23 for individual is _____
- Salary of M.P is taxable under the head _____
- If the Financial asset is held more than _____ months, then the gain arising out of that is a long term capital gain

(10 × 1 = 10 Marks)

PART B

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

- Explain assessment year?
- Define person
- What is the deduction allowable from Income from salary?
- What do you mean by block of assets?

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15. What do you mean by un-absorbed depreciation?
 16. Who is a deemed assessee?
 17. What are bond washing transactions?
 18. What is Capital Asset?
 19. What is Municipal rent?
 20. What do you mean by tax avoidance?

(8 × 2 = 16 Marks)

PART CAnswer any *six* questions. Each question carries 4 marks.

21. What are the provisions relating to rent free accommodation?
 22. State the exemption of the general rule that tax in respect of pervious year is payable in the assessment year.
 23. The W.D.V. of a block of Assets consisting of a factory building at the beginning of the Financial Year 2021-22 (previous Year) is Rs. 10,00,000 and the assessee acquires a godown in May 2021 for Rs.2,00,000 and then sells all the assets in the block in December 2021 for Rs 9,00,000. Calculate the capital gain or loss for the assessment year 2022-23
 24. After serving 33 years and 9 months in Bharat Chemicals Ltd, Mr X who is covered under the payment of gratuity Act retires from service on 30th November 2021. The employer pays him a gratuity of Rs.9,00,000. His monthly basic salary at the time of retirement was Rs.30,000,DA Rs.9,000 and HRA Rs.4,500. You are required to determine the amount of gratuity exempt under section10(10) of the Income Tax Act.
 25. Mr Ramesh, who was born and brought up in India, went for further studies to the U.K on 1st March, 2020 and came back to India on 1st October,2021 early in the morning. Find out his residential status for A.Y 2022-23
 26. The following are the income of Shri Kishan Lal for the previous year 2021-22

	Rs.
(a) Income from agricultural in Pakistan	30,000
(b) Salary received in India but the services were rendered in Iraq (computed)	12,000
(c) Income from business carried on in India	12,000
(d) Dividend from a domestic company	2,000
(e) Income earned and received in Bangladesh from bank deposits there	6,000
(f) Income from business in Ceylon but controlled from India and remitted to India.	14,000

Compute Shri. Kishan Lal's gross total income if he is (a) resident (b) Not-Ordinary resident

(c) Non-resident

27. Mr. P's investment during the year ended 31
- st
- March, 2022 consisted of the following:

	Rs.
7% Government Securities	25,000
8% Agra Municipal Bonds	15,000
9% Bombay Port Trust Bonds	20,000
7% Govt Bonds	18,000
6% Securities of a Foreign government	15,000
Interest credited to Sukanya Samridhi a/c	3,000

He paid Rs.60 as commission for collecting the taxable interest on securities and Rs.1,200 as interest on the loan which he taken for the purpose of purchasing the Bombay Port Trust Bonds. Find out his Income from Other sources.

28. Mr. Tony had estates in rubber, Tea and coffee. He derives income from them. He has also a nursery wherein he grows plants and sells. For the previous year ending 31.03.2022, he furnishes the following particulars of his sources of income from estates and sale of plants. You are requested to compute the taxable income for assessment year 2022-23.

	Rs.
Manufacture of Rubber	5,00,000
Manufacture of coffee grown and cured	3,50,000
Manufacture of Tea	7,00,000
Sale of plants from Nursery	1,00,000

(6 × 4 = 24 Marks)

PART DAnswer any *two* questions. Each question carries 15 marks.

29. Mr. Abhishek owns a house at Kanpur, municipal value of which is Rs. 30,000 and fair rent Rs. 35,000 per annum. During the previous year the house property is used by him for his own residence from 1st April 2021 to 30th June 2021 and let out @Rs. 3000 p.m from 1st July 2021 for residential purpose. The house owner incurred the following expenses during the previous year.

Municipal tax Rs. 4500, Repair 6000 Fire insurance premium Rs.4000, Land revenue Rs. 4500 and Ground rent Rs. 3000. He took a loan of Rs. 40000 @18% interest per annum for the construction of house as on 1st April 2017. The construction is completed on 31st March 2019. No amount has been paid off so far. Compute taxable income from house property for the Assessment Year 2022-23.

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