

THIRD SEMESTER M.Com. DEGREE EXAMINATION, OCTOBER 2017

(Regular/Supplementary/Improvement)

(CUCSS - PG)

CC15P MC3 C12 - INCOME TAX LAW & PRACTICE

(2015 Admission Onwards)

Time : Three Hours

Maximum : 36Weightage

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

1. What is Alternate Minimum Tax?
2. What is 'Public Provident Fund'?
3. Who is 'Deemed Assessee'?
4. What do you mean by Aggregation of Income?
5. What do you mean by bond washing transaction?
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. How to claim deduction on donation given to an organization registered under section 80G?
8. Define an AOP. What are the steps regarding computation of total income of AOP?
9. How a person can claim relief u/s 89(1)?
10. A Hindu Undivided Family with a member having a total income of more than Rs 7,20,000 had the following income for the previous year ended 31st March 2016:

	Rs
Income from Business	480000
Long-term Capital Gains	45000
Business compensation received from a foreign company	75000
Total Income	600000

Find out the tax payable by the family for the assessment year 2016-17.

11. Mr. Ram is a pilot in Indian Airlines. He draws Rs 72000 as salary, Rs 18000 as dearness allowance, Rs 70000 as flight allowance to meet personal expenses while on duty, Rs 12000 as conveyance allowance (actual expenses Rs 9000) and Rs 7200 as educational allowance for his three children studying in a public school. Determine the taxable value of the allowances paid to him.

12. 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.

13. Mr. Jose sold sugar for Rs 20000. Processing costs Rs 4000 were incurred. The cost of sugar cane grown was Rs 4600. Market value of sugar cane was Rs 6200. Calculate his income.

14. Mr. Abdullah, 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. From the following information compute tax payable by Smt. Ram for the AY 2015-16.

a) Income from House Property computed	80,000
b) Interest of government securities	10,000
c) LTCG	50,000
d) Income from business	8,20,000
e) Agricultural income	1,00,000
f) Purchased NSC VIII th Issue	30,000
g) Deposited in PPF	40,000
h) LIC premium paid	30,000

17. Explain the powers of Chief commissioner of income tax

(2 x 6 = 12 weightage)
