

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2024
(Third Semester)

Branch – COST AND MANAGEMENT ACCOUNTING

DIRECT TAXATION – I / DIRECT TAX - I

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

1. Income Tax Act was passed in the year is
 - (i) 1961
 - (ii) 1980
 - (iii) 1956
 - (iv) 1971
2. Mention the standard deduction of house property income.
 - (i) 25% of GAV
 - (ii) 30% NAV
 - (iii) 40% of GAV
 - (iv) 25% of NAV
3. Surgical equipments, A.C, Motor car and P&M come under
 - (i) 25% Block
 - (ii) 20% Block
 - (iii) 15% Block
 - (iv) 40% Block
4. Tax deducted from casual income at
 - (i) 10%
 - (ii) 15%
 - (iii) 20%
 - (iv) 30%
5. Loss from house property income can be carried forward for ----
 - (i) 8 years
 - (ii) 4 years
 - (iii) 5 years
 - (iv) Unlimited period

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a). Discuss the types of Assessee.
OR
- b). Mr. Kumar is an Indian citizen who lives, in India since 1985. During the previous year 2022 -23 he went to Arabia for 325 days. Identify his residential status.
- 7 a). Mr. Harish is employed in Chennai and resides in rented house he paid rent Rs. 3,000. He gets Rs. 8,000 p.m. as salary. Rs. 4,500 p.m. as DA (forming part) and Rs. 3,500 p.m. as HRA. Find out the taxable portion of HRA.
OR
- b). From the following, calculate GAV.
Municipal rental value Rs. 4,00,000
Fair rental value Rs. 3,75,000
Standard rent Rs. 3,75,000
Actual rent received Rs. 4,25,000
- 8 a). On 1.4.2022 a Plant and Machinery has a WDV of Rs. 6,50,000. On 1st August 2022 a new Machinery costing Rs. 1,00,000 was purchased. Rs. 75,000 worth of Machinery was sold on 12.8.2022. Calculate depreciation that can be claimed for the current assessment year if rate of depreciation is 15%.
OR
- b). TVS Ltd., has incurred the following expenditures for promoting family planning amongst its employees during the PY 2022-23.
Revenue expenditure on family planning Rs. 1,20,000
Capital expenditure on family planning Rs. 6,50,000
The company's business income before deducting the above mentioned family planning expenditures for the PY 2022-23 is Rs. 3,20,000. Find out the deductions available for expenditure on family planning and taxable income from business.

Cont...

- 9 a). Compute capital gain arising from sale of a residential house for the AY 2023-24:
 Cost of acquisition (2004-05) Rs. 1,50,000
 Sale on 31.12.2002 Rs. 8,50,000
 Cost of improvement (2011-12) Rs. 50,000
 (CII: 2004-05: 113, 2011-12: 184, 2022-23: 331)

OR

- b). Point out the incomes that can be taxed under the head of income from other sources.

- 10 a). From the following data provided by an individual, you are required to work out the total income chargeable to tax for the AY 2023-24.

Business loss Rs. 50,00,000
 Property income Rs. 45,00,000
 Income from other sources Rs. 1,00,000
 STCG Rs. 3,00,000
 LTCG Rs. 11,00,000

OR

- b). Mr. Naresh has made the following donations during the previous year. Determine the eligible amount of deductions u/s 80G.

(i) Jawaharlal Nehru Memorial Fund Rs. 15,000
 (ii) Rajiv Gandhi Foundations Rs. 12,000
 (iii) Africa fund Rs. 25,000
 (iv) Indira Gandhi Memorial Fund Rs. 18,000

SECTION -C (30 Marks)

Answer any Three questions

ALL questions carry EQUAL Marks (3 x 10 = 30)

11. Enumerate the rules in respect to an individual's residential status.
12. From the following Particulars of Mr. Agarwal, Examine his gross salary income for the PY 2022-23.
- (i) Basic salary Rs. 12,000 p.m.
 (ii) D.A Rs. 4,000 p.m.
 (iii) Bonus Rs. 6,000 p.m.
 (iv) HRA (Rent paid in Salem Rs. 3,000 p.m.) Rs. 4,000 p.m.
 (v) His contribution to RPF @ 14% of salary.
 (vi) Employer contribution to RPF @ 15% of salary.
 (vii) He is provided with a big car for personal and official purpose, expenses are met by the company.
13. From the following Receipts and Payments accounts of Dr. Natarajan, Outline his professional income for the P.Y 2022-23.

Receipts	Rs.	Payments	Rs.
To Balance b/d	6,000	By Salary to staff	1,80,000
To Consultation fees	7,50,000	By Rent of clinic	60,000
To Visiting fees	60,000	By Purchase of medicine	70,000
To Sale of medicine	94,500	By Surgical equipments	2,30,000
To Interest on deposits	55,500	By Purchase of car	4,00,000
To Dividend on investments	34,000	By Balance c/d	60,000
	10,00,000		10,00,000

14. The following are the details relating to Ms. Lakshmi for the P.Y. 2022-23. Compute her taxable income from other sources:

(i) Income from agriculture in America Rs. 1,20,000
 (ii) Interest on post office savings bank Rs. 10,000
 (iii) Dividend from foreign company Rs. 37,000
 (iv) Dividend from Indian company Rs.15,000
 (v) Rent from sub-letting house Rs. 46,500
 (vi) Expenses for sub-letting house Rs: 5,000
 (vii) Winning from lottery (Net) Rs: 2,10,00

- 15 Explain any eight deductions u/s 80 in detail.

Z-Z-Z

END