

23COU309N/ 23COU309/ 23COE309N/ 23COE309/
 23AFU309N/ 23AFU309/ 23CRM309N/ 23CRM309/
 23FSU309N/ 23FSU309/ 23FTU309N/ 23FTU309/
 23BPU309N/ 23BPU309/ 23CBI309N/ 23CBI309

PSG COLLEGE OF ARTS & SCIENCE
 (AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2024
 (Third Semester)

Common to Branches - **COMMERCE / e-COMMERCE / COMMERCE (A&F) /**
COMMERCE (RM)/ COMMERCE (FS) / COMMERCE (FT) /
COMMERCE (BPU) / COMMERCE (B&I)

INCOME TAX

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Residential status of an assessee is ascertained as per the provisions of a) Sec.6 b) Sec.7 c) Sec. 9 d) Sec. 12	K1	CO1
	2	Which of the following income is exempt from tax? a) Agricultural income b) Interest on Government securities c) Income from House Property d) Income from Salary	K2	CO1
2	3	Salary received by a member of parliament is a) Taxable as salary income b) Exempt from tax c) Taxable as income from other sources d) None of these	K1	CO2
	4	GAV of self occupied house is a) Always taxable b) Always Nil c) Higher of MRV/FRV d) None of these	K2	CO2
3	5	Which of the following expenditure is not allowed as deduction while computing business income? a) Donation b) Rent c) Entertainment d) Salary	K1	CO3
	6	Income from sale of household furniture is a) Taxable capital gain b) Exempted capital gain c) Short term capital gain d) Long term capital gain	K2	CO3
4	7	Tax is reduced from casual incomes at a) 10% + surcharge and cesses b) 20% + surcharge and cesses c) 30% d) None of these	K1	CO4
	8	Percentage of Health and Education cess for the P.Y. 2023-24 a) 1% b) 2% c) 3% d) 4%	K2	CO4

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5	9	Income tax authorities are grouped into two main wings, Administrative and ____ a) Judicial b) Managerial c) Executives d) Clerical	K1	CO5
	10	Due date for filing return of Income in case of an individual is a) 30 th June b) 31 st July c) 31 st August d) 30 th September	K2	CO5

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO													
1	11.a.	On 01-06-2022, B a Malaysian citizen left India after a continuous stay of 10 years. During the financial year 2022-23, he came back to India and stayed a period of 46 days and left. In the previous year 2023-24, he came back to India on 10-10-2023 and stayed here thereafter for one year. Determine B's residential status for the assessment year 2024-25.	K5	CO1													
	(OR)																
	11.b.	Mr. Rohan, a foreign national came to India for the first time on June 15, 2018. During the financial years 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24, he stays in India for 120 days, 115 days, 15 days, 191 days, 124 days and 80 days respectively. Determine his residential status for the assessment year 2024-2025.															
2	12.a.	Compute the taxable HRA from the following details: (Under old and New Regime) HRA received – Rs. 3,40,000 Rent paid in Delhi – Rs. 4,80,000 Basic Salary – Rs. 3,00,000 DASB – Rs. 2,40,000 Commission on Turnover – 2% Turnover – Rs. 8,00,000	K4	CO2													
	(OR)																
	12.b.	Mr. R has got house A. the particulars for the previous year 2023-24 are given below: <table><tr><td></td><td>Rs.</td></tr><tr><td>Fair Rent</td><td>90,000</td></tr><tr><td>Standard rent under rent control Act</td><td>70,000</td></tr><tr><td>Municipal value</td><td>80,000</td></tr><tr><td>Municipal tax paid by the owner</td><td>8,000</td></tr><tr><td>Annual rent</td><td>96,000</td></tr><tr><td>Annual rent received</td><td>80,000</td></tr><tr><td>Vacancy period</td><td>2 months</td></tr></table> Determine the Net Annual Value for the previous year 2023-24.				Rs.	Fair Rent	90,000	Standard rent under rent control Act	70,000	Municipal value	80,000	Municipal tax paid by the owner	8,000	Annual rent	96,000	Annual rent received
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Vacancy period	2 months																

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3	13.a.	Mr. Raman has prepared the following P&L A/c for the year ended 31-03-2024. You are required to compute his income from business and his gross total income for the A.Y. 2024-25.	K4	CO3																																
		<table><tr><th>Particulars</th><th>Rs.</th><th>Particulars</th><th>Rs.</th></tr><tr><td>To Income tax</td><td>700</td><td>By Gross Profit</td><td>1,35,900</td></tr><tr><td>To charities</td><td>375</td><td>By Dividend (Co-op. Society)</td><td>2,600</td></tr><tr><td>To Donations</td><td>400</td><td>By Rent from House Property</td><td>500</td></tr><tr><td>To Advertisements</td><td>1,450</td><td>By Bad debts recovered</td><td>2,000</td></tr><tr><td>To Postage & telegrams</td><td>100</td><td></td><td></td></tr><tr><td>To Net Profit</td><td>1,32,850</td><td></td><td></td></tr><tr><td></td><td>1,41,000</td><td></td><td>1,41,000</td></tr></table>			Particulars	Rs.	Particulars	Rs.	To Income tax	700	By Gross Profit	1,35,900	To charities	375	By Dividend (Co-op. Society)	2,600	To Donations	400	By Rent from House Property	500	To Advertisements	1,450	By Bad debts recovered	2,000	To Postage & telegrams	100			To Net Profit	1,32,850				1,41,000		1,41,000
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13.b.	Mr. A purchased a piece of land for Rs.5,00,000 during the previous year 2001-02. In 2005-06, he agreed to sell it to Mr. B for Rs. 9,00,000 and accepted an advance money of Rs. 50,000. Mr. B, however, failed to honour his promise and could not get the sale deed executed in his favour within stipulated time. As a result the advance money was forfeited by Mr. A. Now, Mr. A has sold this land during 2023-24 for Rs. 20,00,000. Determine the amount of capital gains chargeable to tax in the hand of Mr. A.																																			
4	14.a.	Mr. Senthil furnished the following incomes during 2023-24. Compute taxable income under 'Other Sources'.	K6	CO4																																
		<table><tr><th></th><th>Rs.</th></tr><tr><td>Winning from Tamil Nadu State lottery</td><td>1,80,000</td></tr><tr><td>Winning from Horse races (Amount won)</td><td>1,500</td></tr><tr><td>Winning from cross word puzzle</td><td>15,000</td></tr><tr><td>Winning from card games</td><td>20,000</td></tr><tr><td>Winnings from gambling and betting</td><td>25,000</td></tr><tr><td>loss from card games</td><td>10,000</td></tr><tr><td>Expenses on buying Lottery tickets</td><td>500</td></tr></table>				Rs.	Winning from Tamil Nadu State lottery	1,80,000	Winning from Horse races (Amount won)	1,500	Winning from cross word puzzle	15,000	Winning from card games	20,000	Winnings from gambling and betting	25,000	loss from card games	10,000	Expenses on buying Lottery tickets	500																
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14.b.	Compute the tax liability of Mr. Ranjith for the assessment year 2024-25. If his total income is Rs. 26,00,000.																																			
5	15.a.	Explain the various types of e-filing.	K5	CO5																																
	(OR)																																			
	15.b.	Interpret the powers of assessing officer.																																		

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SECTION -C (30 Marks)

Answer ANY THREE questions

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

Module No.	Question No.	Question	K Level	CO																																																												
1	16	Mr. Jagadish, scientist from USA was appointed as senior scientists in India for the first time on 01-11-2018. On 31st January 2021, he went to Pakistan on deputation but left his family (Wife and Children) in India. On 1st May 2022, he came to India and took his family on 31st October 2022. He returned to India and joined his original post on 5th February 2024. Determine the residential status of Mr. Jagadish for the Assessment Years 2021-22 to 2024-25.	K5	CO1																																																												
2	17	Compute the taxable portion of allowances from the information furnished by Mr. Hari Haran for the A.Y. 2024-25. <table><tr><td></td><td>Rs.</td></tr><tr><td>Travelling allowance (Expenditure Rs.750 p.m.)</td><td>1,500 p.m.</td></tr><tr><td>Helper allowance (Expenditure Rs.1,350 p.m.)</td><td>1,200 p.m.</td></tr><tr><td>Tribal area allowance</td><td>2,400 p.m.</td></tr><tr><td>Education allowance (Per Child) (For 3 Children)</td><td>300 p.m.</td></tr><tr><td>Hostel Exp. Allowance (Per Child) (For 3 Children) (Actual Exp, Rs.2,500 p.m. per child)</td><td>2,500 p.m.</td></tr><tr><td>Transport allowance (Exp. Rs. 15,000 p.m)</td><td>19,000 p.m.</td></tr><tr><td>Conveyance allowance (50% personal)</td><td>1,500 p.m.</td></tr><tr><td>Dog allowance</td><td>1,000 p.m.</td></tr></table>		Rs.	Travelling allowance (Expenditure Rs.750 p.m.)	1,500 p.m.	Helper allowance (Expenditure Rs.1,350 p.m.)	1,200 p.m.	Tribal area allowance	2,400 p.m.	Education allowance (Per Child) (For 3 Children)	300 p.m.	Hostel Exp. Allowance (Per Child) (For 3 Children) (Actual Exp, Rs.2,500 p.m. per child)	2,500 p.m.	Transport allowance (Exp. Rs. 15,000 p.m)	19,000 p.m.	Conveyance allowance (50% personal)	1,500 p.m.	Dog allowance	1,000 p.m.	K4	CO2																																										
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3	18	Wye is an owner of a small shop at Bombay. Determine his net income on the basis of the following Profit and Loss A/c for the year ending March 31,2024 <table><tr><td>Particulars</td><td>Rs.</td><td>Particulars</td><td>Rs.</td></tr><tr><td>Opening stock</td><td>1,04,000</td><td>Sales</td><td>20,51,000</td></tr><tr><td>Purchases</td><td>10,08,750</td><td>Closing stock</td><td>2,10,000</td></tr><tr><td>Salaries & Wages</td><td>1,75,000</td><td></td><td></td></tr><tr><td>Rent & Rates</td><td>1,31,000</td><td></td><td></td></tr><tr><td>Commission</td><td>21,500</td><td></td><td></td></tr><tr><td>Household expenses</td><td>20,000</td><td></td><td></td></tr><tr><td>Income tax for 2017-18</td><td>36,100</td><td></td><td></td></tr><tr><td>Advertisements</td><td>5,000</td><td></td><td></td></tr><tr><td>Postage & Telegrams</td><td>4,000</td><td></td><td></td></tr><tr><td>Interest on capital</td><td>84,000</td><td></td><td></td></tr><tr><td>Reserve for doubtful debts</td><td>3,400</td><td></td><td></td></tr><tr><td>Dep. on furniture</td><td>18,000</td><td></td><td></td></tr><tr><td>Net Profit</td><td>6,50,250</td><td></td><td></td></tr><tr><td></td><td>22,61,000</td><td></td><td>22,61,000</td></tr></table>	Particulars	Rs.	Particulars	Rs.	Opening stock	1,04,000	Sales	20,51,000	Purchases	10,08,750	Closing stock	2,10,000	Salaries & Wages	1,75,000			Rent & Rates	1,31,000			Commission	21,500			Household expenses	20,000			Income tax for 2017-18	36,100			Advertisements	5,000			Postage & Telegrams	4,000			Interest on capital	84,000			Reserve for doubtful debts	3,400			Dep. on furniture	18,000			Net Profit	6,50,250				22,61,000		22,61,000		
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		Q.No: 18 Cont... Additional Information: i. Closing stock and opening stock have been consistently valued at 20% below cost price. ii. Written down value of furniture on April 1, 2023 was Rs. 1,72,000; Rate of Depreciation is 10%. iii. Amount of sales includes a sum of Rs.41,250 representing the value of goods withdrawn for the use of Wye's family members. These goods were purchased at a cost of Rs. 27,850. iv. Household expenses include a contribution of Rs. 11,750 towards Public Provident Fund. v. Mr. Wye has paid Rs. 1,00,000 to I.I.T., Chennai for carrying out programmes for scientific research.	K5	CO3																																																															
4	19	Shri. Sudhir, an individual, submits the following information relevant for the AY: 2024-25. <table><tr><th>Particulars</th><th>Profit Rs.</th><th>Loss Rs.</th></tr><tr><td>Salary income (Computed)</td><td>84,000</td><td>-</td></tr><tr><td>Income from House Property (Computed)</td><td>30,000</td><td></td></tr><tr><td>House X</td><td></td><td>34,000</td></tr><tr><td>House Y</td><td></td><td>42,000</td></tr><tr><td>House Z</td><td></td><td></td></tr><tr><td>Profits & Gains of Business or Profession</td><td>16,000</td><td></td></tr><tr><td>Business A</td><td></td><td>20,000</td></tr><tr><td>Business B</td><td>22,000</td><td></td></tr><tr><td>Business C (Speculation)</td><td></td><td>46,000</td></tr><tr><td>Business D (Speculation)</td><td></td><td></td></tr><tr><td>Capital Gains:</td><td></td><td></td></tr><tr><td>STCG</td><td>12,000</td><td></td></tr><tr><td>STCL</td><td></td><td>56,000</td></tr><tr><td>LTCG</td><td>25,000</td><td></td></tr><tr><td>Income from other Sources:</td><td></td><td></td></tr><tr><td>Income from Card games</td><td>38,000</td><td></td></tr><tr><td>Income from betting</td><td>30,000</td><td></td></tr><tr><td>Loss from card games</td><td></td><td>14,020</td></tr><tr><td>Loss on maintenance of race horses</td><td></td><td>12,000</td></tr><tr><td>Interest on securities</td><td>8,000</td><td></td></tr></table> Compute the Gross Total Income of Sudhir for the AY:2024-25.	Particulars	Profit Rs.	Loss Rs.	Salary income (Computed)	84,000	-	Income from House Property (Computed)	30,000		House X		34,000	House Y		42,000	House Z			Profits & Gains of Business or Profession	16,000		Business A		20,000	Business B	22,000		Business C (Speculation)		46,000	Business D (Speculation)			Capital Gains:			STCG	12,000		STCL		56,000	LTCG	25,000		Income from other Sources:			Income from Card games	38,000		Income from betting	30,000		Loss from card games		14,020	Loss on maintenance of race horses		12,000	Interest on securities	8,000		K4	CO4
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5	20	Elaborate the powers of Central Board of Direct Taxes (CBDT).	K6	CO5																																																															