

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom (CS) DEGREE EXAMINATION DECEMBER 2024
(Fifth Semester)

Branch – **CORPORATE SECRETARYSHIP**

TAXATION LAW AND PRACTICE

Time: Three Hours

Maximum: 50 marks

SECTION-A (5 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (5 x 1 = 5)

1. How many days are required to an individual to be a resident in India u/s 6(i) (a) ?
 (i) 182 days (ii) 365 days
 (iii) 730 days (iv) 190 days
2. Gratuity received by the Government employee is _____
 (i) Fully taxable (ii) Partially taxable
 (iii) Fully Exempted (iv) Exempt upto Rs.3,50,000
3. Expenditure on technical know-how acquired after 1.4.98 shall qualify for depreciation at
 (i) 25% (ii) 15%
 (iii) 10% (iv) 40%
4. The limit for deduction U/S 80C is
 (i) Rs.1,00,000 (ii) Rs. 1,50,000
 (iii) Rs. 2,00,000 (iv) Rs. 2,50,000
5. Ex-parte assessment means _____
 (i) Self-assessment (ii) Summary assessment
 (iii) Scrutiny assessment (iv) Best judgment assessment

SECTION - B (15 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 3 = 15)

6. a. Mr. Romona furnished the following particulars of his income in the PY 2023-24. Ascertain her taxable income assuming that she is a) Resident b) Not ordinarily resident and c) Non- resident.
 a) Rs. 30,000, interest on USA Development Bonds (2/3rd is received in India).
 b) Rs.40,000, profit from a business in Chennai and managed from outside India.
 c) Rs.60,000, income earned from business in Singapore which is controlled from Chennai. (Rs. 20,000 is received in India).
 d) Rs. 25,000, dividend paid by a foreign company but received in India.
 e) Rs. 10,000, income was earned in USA and received there, but brought into India.

OR

- b. Define Assessee. Explain the classes of assesses.

Cont...

7. a. Ms. Subatra, is working in chetnad cement ltd, in Dalmiapuram (population 8 lakh). She furnishes the following particulars regarding her income. Compute her Taxable salary for the P.Y 2023 – 2024

- a) Basic Salary at Rs.25,000 p.m
- b) D.A at Rs.10,000 p.m
- c) Bonus Rs.30,000 p.a
- d) Commission (2% on turnover) Rs.15,000
- e) She is provided with a rent free furnished accommodation. The fair rental value is Rs. 4,000 p.m
- f) She is provided with a big car for her personal and office use and all expenses of its running, maintenance and driver are met by the company.

OR

- b. The particulars of a residential house completed on 31st May 1996 are given below:

Particulars	Rs.
Actual rent	9,600
Municipal taxes paid	1,800
Ground rent	50
Insurance	80
Interest on amount borrowed for construction of the house	1000
Collection charges actually paid	300

The assessee mortgaged the house for Rs.36,000 to meet the expenses of his daughter's marriage and paid interest of Rs.3,000 on the mortgage loan during the year. The assessee also realized from his tenants of earlier years to the extent of Rs.8,000 out of which Rs.6,000 was allowed earlier as deduction. Compute the total income for the assessee for the Assessment Year 2024-2025.

- 8 a. From the following receipts and payment account of Mr.Sundararajan, a Chartered Accountant, you are required to compute his professional income for the P.Y 2023-24.

Receipts	Rs.	Payments	Rs.
To balance b/d	12,000	By office expenses	75,000
To audit fees	4,80,000	By membership fees	25,000
To income from other audit works	70,000	By LIC premium	10,000
To examiners fees	8,000	By income tax	40,000
		By personal expenses	50,000
		By motor car	3,00,000
		By motor car expenses	38,000
		By balance c/d	32,000
	5,70,000		5,70,000

OR

Cont...

- b. Mr.Kishore received the following income during the Previous Year 2023-24.
Compute his taxable income from other sources. Rs.

i. Income from agriculture in USA	60,000
ii. Income from agriculture in India	80,000
iii. Royalty from mining	18,000
iv. Expenses incurred for royalty	2,000
v. Family pension	48,000
vi. Examinership remuneration	11,000

- 9 a. Mr. Kumar has furnished the following particulars relating to his income. Compute his gross total income for the previous year 2023-24.

	Rs.
i. Income from salary	65,000
ii. Income from other sources	30,000
iii. Short term capital loss	25,000
iv. Long term capital loss	15,000
v. Loss from business	40,000

OR

- b. Analyse the circumstances, the income of other persons is included in the total income of an assessee.

- 10 a. Explain the powers of Assessing Officer.

OR

- b. Appraise the reasons for appeal before Appellate Tribunal.

SECTION -C (30 Marks)

Answer any **Three** questions

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

11. Explain any ten exempted incomes U/S/10.
12. Ms.Nirmala is employed in a company at Krishnagiri. Her salary particulars are as follows.

Compute her taxable salary for the P.Y 2023-24.	Rs.
a) Basic Salary	15,000 p.m
b) DA (50% enter into service benefits)	3,000 p.m
c) Bonus	8,000 p.a
d) Salary in lieu of leave	4,000
e) Entertainment allowance	1,000 p.m
f) Conveyance expenses reimbursed (incurred for office)	2,000
g) She is provided with rent free house. The rent paid by the company is Rs.6,500 p.m. Cost of furniture provided in that house is Rs. 60,000.	
h) Club bills paid by the employer	3,800 p.a
i) Special allowance	1,000 p.m
j) Education allowance for her only son	1,000 p.m
k) Hostel allowance for her son	2,000 p.m.

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13. Mr. Deva owns a residential house at Thoothukudi. From the following information, Compute his capital gain.

	Rs.
Cost of construction (during 2014 – 15)	7,50,000
Cost of additions and improvements during 2017 – 18	2,50,000
Sale consideration (Sale made on 17.11.2023)	25,00,000
Expenses on transfer	25,000
Cost of new house purchased in Chennai (20.02.2024)	4,00,000
Amount deposited in Capital gain deposit scheme in SBI on 17.05.2024	2,00,000
(C.I.I : 2014-15: 240, 2017-18: 272, 2023-24 : 348)	

14. Mr. Saran, a resident individual submits the following details for the previous year 2023-24.

	Rs.
i. Contribution towards pension fund of LIC	35,000
ii. Medical expenditure on the health of his father of 80 years	40,000
iii. Medical treatment of dependent handicapped brother	15,000
iv. Deposit with UTI for the maintenance of the dependent handicapped brother	40,000
v. Salary income of the assessee is Rs.2,70,000 p.a. Professiona tax paid Rs.1,200	
Find out the deduction eligible u/s 80C.	

15. Evaluate the circumstances of best judgment assessment its consequences and remedy.

Z-Z-Z

END