(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2017

(Third Semester)

Branch - **COMMERCE (COST & MANAGEMENT ACCOUNTING)**

DIRECT TAX -1

Time : Three Hours   Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks   (1 0 x 2 = 20)

1   Define previous year.

2   Who is non-resident?

3   What do you mean by perquisites?

4   Give the meaning of standard rent.

5   Define business.

6   Which assets are eligible for depreciation?

7   What is not included in capital assets?

8   Give examples for casual incomes.

9   What is meant by set off losses?

10   What is TDS and TCS?

SECTION - B (25 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

11 a Distinguish between capital receipts and revenue receipts.

OR

   b Mr. X, an Indian citizen, leaves India to Germany for a job on 8.10.16. What will be his residential status for the A.Y 2017 - 18 if he has never left India earlier?

12 a Mr. Kumar is an employee in Delhi and gets the following:emoluments

Basic pay	8,000 p.m.
DA (Forming part)	6,000 p.m.
Bonus	10,000
CCA	2,000 p.m.

Conveyance allowance Rs. 500 p.m. (actual amount spent Rs. 4,000). He is provided with a rent free house. Calculate the taxable value of rent free house on the assumption that the population is 26 lakhs.

OR

   b From the following particulars of Mr. Raja, find out gross annual value:

	Rs.
MRV	1,40,000
FRV	1,45,000
SR	1,42,000
ARV	1,68,000
Unrealised rent	14,000
Loss due to vacancy	7,000

Cont...

13 a   List out the in admissible expenses in computation of income from business

OR

b   Calculate depreciation from the following data for the A.Y. 2017-18:

	WDV on 1.4.16 (Rs.) Rs.	Addition Rs.	Rate of dept
Furniture	25,000	5,000	10
Residential house	1,50,000	1,00,000	5
Books	5,000		60

14 a Compute the taxable capital gain for the AY 2017-18:

House purchased in 1981 -82 for Rs. 2,50,000
Sold in November 2016 for Rs. 34,00,000
Purchased another residential house for Rs. 4,00,000
Investment in bonds of NHAI U/S 54 EC in December 2016 Rs. 1,50,000
CII for 1984 -82; 100; 2016 - 17:1125.

OR

b From the following details, find out income from other sources:

	Rs.
Director's fees	5,000
Dividend from Indian company	4,000
Income from race (Horse)	7,000
Royalty from books	9,000
Dividends from co-operative societies	3,000

15 a What is advance tax? Point out the instalments of advance tax and due dates.

OR

b From the following information of a trader, compute the gross total income:

	Rs.
Income from HP (Computed)	1,50,000
Business loss	60,000
Current year depreciation	10,000
Business loss of preceding year	50,000
Unabsorbed depreciation of preceding year	30,000
Short term capital loss	40,000
Long term capital gain	50,000

SECTION - C (30 Marks!
Answer any THREE Questions
ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

16   State any ten exempted incomes.

17   Income details of Murugan for the financial year 2016 - 17 are as follows:

Salary   Rs. 5,000 p.m.
DA   Rs. 2,000 p.m.
EA   Rs. 300 p.m.
Employer's contribution to RPF Rs, 7,900 p.a.
Interest credited to RPF @ 9.5% Rs. 1,000
CCA   Rs. 150 p.m.
Medical allowance Rs.   100 p.m.
HRA   Rs. 600 p.m.
(rent paid Rs. 750 p.m.)

Calculate salary income for the A.Y 2017-18.

18 Following is the P & L a/c of Mr. Kannan for the P.Y 2016 - 17.

	Rs.		Rs.
To Salaries	25,650	By Gross profit	80,000
To Rent	1,000	By Bank interest	450
To Commission on Sales	100	By Bad debts recovered	2,000
To Income tax	2,600	By Income from HP	4.800
To Commission paid to		By Interest on	
collect interest	25	Commercial Securities	2,000
To Embezzlement by Cashier	1,000		
To Municipal Tax (House)	600		
To Bad Debts	450		
To Repair to house	1,625		
To Office expenses	9,780		
Tp Depreciation	5,000		
To LIC premium	1,320		
To Net Profit	40,100		
	89,250		89,250

Allowable depreciation is Rs. 4,500. Computer the taxable business income for the A.Y. 2017-18.

19 Describe the exempted capital gains.

20   Sugan, an individual, submits the following information relevant for the AY 2017-18.

	Profit (Rs.)	Loss (Rs.)
Salary income	84,000	-
Income from HP (Computed)		
House X	30,000	-
House Y	-	34,000
House Z	-	42,000
Profit from Business :		
Business A	16,000	-
Business B	-	20,000
Business C (Speculative)	22,000	-
Business D(Speculative)	-	46,000
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	-	14,000
Loss on maintenance of race horses	-	14,020
Interest on securities	8,000	-

Compute the gross total income of Sugan for the A.Y 2017 -- 18.

Z-Z-Z   END