

BCom(CS) DEGREE EXAMINATION DECEMBER 2017

(Fifth Semester)

Branch - **CORPORATE SECRETARYSHIP****TAXATION LAW & PRACTICE**

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 2 = 20)

- 1 Who is a non-resident?
- 2 What is an assessment year?
- 3 What are gross total income?
- 4 What is commuted value of pension?
- 5 How the "net annual value" of a house property is determined?
- 6 What is capital gain?
- 7 How are speculation losses set off?
- 8 Who is an assessing officer?
- 9 What do you mean by tax deducted at source?
- 10 What do you mean by "Appeal"?

SECTION - B (25 Marks!)

Answer ALL Questions

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

- 11 a What are the exceptions to' the rule that income of the previous year is taxable in the following assessment year?
- OR
- b Mr. Yashwin left for USA on 15.3.2014 after staying in India for 15 years. He returned to India on 31.08.2016. What will be his residential status for the assessment year 2017 - 2018?

- 12 a Find out the house property income for the P.Y 2016-17
- | | |
|---------------------------------|---------------------|
| Municipal value | Rs. 1,30,000 p.a. |
| Fair rent | : Rs. 1,10,000 p.a. |
| Standard rent | Rs. 1,35,000 p.a. |
| Rent received | : Rs. 11,000 p.m. |
| Unrealised rent for 2016 - 17 : | Rs. 11,000 |
| Municipal tax paid : Owners | Rs. 10,000 p.a. |
| Tenant | Rs. 5,000 p.a. |

OR

- b What are perquisites? How are they taxable?
- 13 a Find out the long term capital gain from the following. Cost of acquisition Rs. 1,20,000.
Year of purchase of Assets 1983 — 84
Selling price Rs. 35,00,000
Date of selling assets : 10.1.2017
CII for 1983 - 84 is 116 and 2016-17 is 1125.

OR

- b What are the deductions allowed while computing income from other sources?
- 14 a Compute the taxable income and loss to be carried forward:

| | Rs. |
|--|--------|
| i) Business profit for the previous year 2016 - 17 | 20,000 |
| ii) B/F business loss of 2014 - 15 | 10,000 |

Cont...

14 a Cont...

| | |
|--|--------|
| iii) Capital loss on shares | 60,000 |
| iv) Loss from self occupied house (U/S 24) | 5,000 |

OR

b Explain any five due decoctions from GTI for expenses made.

15 a Explain the assessment procedure.

OR

b State the judicial income tax authorities and their powers.

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

16 Explain the basic conceptions to determine the residential status of an individual.

17 Mr. 'S' has occupied two houses for his residential purpose, particulars of which are as follows:

| Particulars | House - I | House - II |
|--------------------|-----------|------------|
| Standard rent | 20,000 | |
| Municipal value | 30,000 | 30,000 |
| Fair rent | 18,000 | 35,000 |
| Municipal tax paid | 2,400 | 3,600 |
| Repairs | Nil | 200 |
| Insurance premium | 1,300 | 600 |
| Ground rent | 7,000 | 400 |

'S' borrows Rs. 30,000 @ 20% interest p.a. for construction of house II [date of borrowing June 1, 2009, date repayment of loan 10.5.2017 construction of both houses is completed in May 2014].

Compute the taxable income under the head house property.

18 Cash book of an auditor for the period ended 31.3.2017.

| | Rs. | | Rs. |
|------------------------|-----------------|----------------------|-----------------|
| To Bal b/d | 9,614 | By Office expenses | 24,150 |
| To Audit fees | 54,750 | By Personal expenses | 4,769 |
| To Accounts work fees | 25,475 | By Membership fees | 4,045 |
| To Other source income | 27,745 | By Income tax | 2,493 |
| To Rent from H.P | 14,200 | By Car purchased | 23,450 |
| | | By Car expenses | 5,420 |
| | | By Insurance house | 300 |
| | | By Balance c/d | 67,157 |
| | <u>1,31,784</u> | | <u>1,31,784</u> |

Depreciation on car @ 15%. % of car expenses for personal purpose.
Compute professional income.

19 Mr. 'X' gross total income is Rs. 6,00,000 for the P.Y 2016 - 17. He paid for the following items:

| | Rs. |
|---|--------|
| He contributed to medical insurance premium by cheque | 16,000 |
| Contribution to pension fund of LIC | 12,000 |
| He repaid interest on loan taken for higher studies | 15,000 |
| Donation to N.D.F | 10,000 |
| Deposit in P.P.F | 60,000 |
| Payment tuition fees for his children | 70,000 |

Compute the total income.

20 Explain the power and functions of the central board of direct taxes.