

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BBA DEGREE EXAMINATION MAY 2024
(Fifth Semester)

Common to Branches – BUSINESS ADMINISTRATION/ BUSINESS ADMINISTRATION
(INFORMATION SYSTEM)/ BUSINESS ADMINISTRATION (RETAIL
MANAGEMENT)

TAXATION

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Find a person by whom any tax or other sum of money is payable under tax act.
(i) Individual (ii) HUF
(iii) Assessee (iv) Partner
- 2 Choose the maximum amount allowed as deduction for entertainment allowance
(i) Rs. 5000 (ii) Rs. 10,000
(iii) Rs. 15,000 (iv) Rs. 50,000
- 3 Mention the income tax act depreciation is charged on
(i) Book value (ii) Market value
(iii) Cost price (iv) Written down value
- 4 Identify the rate of TDS on winnings from lottery is
(i) 10% (ii) 20%
(iii) 30% (iv) 40
- 5 Match the percentage of health and education cess for the P.Y 2022 - 23
(i) 1% (ii) 2%
(iii) 3% (iv) 4%

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Bring out a person as per income tax act.
OR
b A Citizen of srilanka had been staying in India since 1996. He left India on 20.08.2022 for srilanka and returned on 06.02.23. calculate his residential status for the P.Y 2022 – 23.
- 7 a Mr. X is employed at Chennai at a salary of Rs. 6,000 p.m. The employer is paying HRA of Rs. 700 p.m. but the actual rent paid by him is Rs. 800 p.m. prepare the taxable HRA.
OR
b Mr. Madhavan was appointed on 01.01.2019 in the pay scale of 14,000 – 2,000 – 20,000 – 3,000 – 35,000. Analyze his basic salary for the P.Y 2022 – 23.
- 8 a Show the gross annual value from the following details pertaining to a house property which is let out for residence.
Municipal value: Rs. 1,60,000,
Fair rental value: Rs. 1,61,000
Actual rental value : Rs. 1,90,000
Standard rent under rent control act : Rs. 1,75,000
OR
b On 01.04.2022 depreciated value of a block of assets (rate of depreciation is 10%) is Rs. 60,000. It consists of plants R and S. The assessee purchases plant T (rate of depreciation is 10%) during the previous year 2022- 23 for Rs. 20,000 and sells plant R on june 10,2022 for Rs. 1,20,000. Calculate the depreciation and loss or gain sale for the P.Y . 2022- 23.

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- 9 a From the following details Apply the capital gain
- Sale consideration of residential house Rs. 35, 00,000 on 25.09.2022 [CII: 331]
 - Cost of acquisitions of the house on 01.08.08 is Rs. 10,02,000 [CII: 137]
 - New residential house acquired on 10th March 2023 is Rs. 8, 00,000
 - Cost of stamp and registration fees : Rs. 1,00,000
- OR
- b Mr. S. Bharath, a College Professor, furnished the following particulars. You are required to prepare income from other sources:
- Examination remuneration Rs. 9,000
 - Royalty from books and articles Rs. 45,000
 - Winnings from card games Rs. 6,700
 - Winnings from State lottery Rs. 40,000
 - Expenditure on purchase of lottery tickets Rs. 15,000.
- 10 a Mr. Thirupathy has submitted the following information relevant for the P.Y 2022- 23. Choose the gross total income.
- Income from business Rs.40,000
 - Loss from short term capital assets Rs. 10,000
 - Loss from house property Rs. 8,000
 - Loss from long term capital assets Rs. 15,000
 - Brought forward business loss Rs. 7,000
- OR
- b Mr. Raffek G.T.I for the P.Y is Rs.8,00,000. He made the following donations solve his total income for the P.Y 2022 – 23.
- National defence funds Rs. 30,000
 - National sports funds Rs. 25,000
 - National children's fund Rs. 18,000
 - Prime minister's drought relief fund Rs. 25,000

SECTION -C (30 Marks)Answer **ALL** questions**ALL** questions carry **EQUAL** Marks

(5 x 6 = 30)

- 11 a Point out the any 10 exempted incomes under section 10 of income tax
- OR
- b Following are the incomes of Mr. V for the P.Y 2022 – 23
- Profit from the business in Kanpur Rs. 10,000.
 - Income accrued in Canada but received in India Rs. 2,000
 - Rs. 5,000 earned in Africa and received there but brought to India.
 - Rs. 5,000 earned in India but received in Canada.
 - Profit from business abroad, controlled from India Rs. 10,000
 - Income from house property in srilanka and deposited there Rs.2,000
 - Past untaxed income brought into India Rs. 4,000
- Examine the total income of Mr. V for the A.Y 2023 – 24 If he is a) Resident b) Not ordinarily c) Non-resident.
- 12 a From the following analyze income from salary of Mr. Krishnan who is working in MNC international (P) Ltd., Chennai.
- Basic salary Rs.50,000 p.m
 - DA Rs. 30,000 p.m (enter)
 - Bonus Rs. 1,00,000
 - CCA Rs. 1,500 p.m
 - EA Rs.6,000 p.m
 - Educational allowance Rs. 8,000 p.m (for his two children)
 - Hostel allowance Rs. 10,000 p.m (for his two children)
 - Academic research allowance Rs. 25,000 (Actual amount spent Rs.50,000)
 - HRA Rs. 20,000 p.m (rent paid Rs.12,000 p.m)
 - Conveyance allowance for official purposes Rs. 3,000 p.m
 - Tribal area allowance Rs. 450 p.m
 - Washing allowance Rs. 1,175 (Actual amount spent Rs.795)

OR

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- b Mr. Parthiban is working in Sun network Ltd. Mayiladuthurai. He is paid the following emoluments every month. Identify his gross salary.
- Basic pay – 7,500 p.m.
 - Dearness allowance (Not forming part of salary) – 4000 p.m.
 - Bonus- 6000 p.a.
 - Commission (2% of turnover). 8,000
 - Educational allowance (Two children) – 500 p.m.
 - C.C.A – 2000 p.m.
 - Hostel allowance – 600 p.m.
 - Dress allowance (Actual expenditure Rs. 3,000) – 4000 p.a.
 - Conveyance allowance (Actual expenditure Rs. 800 p.m) – 1000 p.m.
 - Tiffin allowance - 2,000 p.m
 - House rent allowance (Actual rent he pays is 3,500 p.m) – 3000 p.m.
- 13 a Mr. A constructed one house in 2021, 75% of the property is let out and 25% is self occupied for his residence.
- The let-out portion is also self- occupied for one month.
 - Municipal values of full house – 5000 p.a,
 - Annual rent of 75% portion – 4000 p.a,
 - Municipal taxes- 500 p.a,
 - Ground rent - 100 p.a, Repairs – 200 p.a,
 - Fire insurance premium – 150 p.a,
 - Collection charges – 60 p.a,
 - Interest on loan taken for construction – 600 p.a,
 - His income from all other amount to Rs. 10000.
- Examine his income from house property.

OR

- b From the following Receipts and payment account of Mr. Nakkiran Analyze his income from business for the P.Y 2022-23.

Receipts	Amount Rs.	Payments	Amount 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 Purchases of medicine	70,000
To sale of medicine	94,500	By Surgical equipment	2,30,000
To Interest on deposits	55,500	By Purchases of car	4,00,000
To Dividend on investment	34,000	By Balance c/d	60,000
	10,00,000		10,00,000

- 14 a From the following details submitted by Mr. Chandrakant prepare the total taxable capital gain if CII for 2015 – 16 : 254, 2017 – 18: 272 and 2022 – 23 : 331 on the assumption that he has purchased a house for Rs. 3,50,000 on 10th Jan 2023.

Particulars	Gold Rs.	Share Rs.
Sale	6,00,000	4,00,000
Expenses on transfer	20,000	90,000
Cost of acquisition	1,25,000	50,000
Year of acquisition	2015 - 16	2017 - 18

OR

- b The following are the details relating to Mr. Praveen for the P.Y. 2022-23. Summarize income from other sources:
- Dividend from TVS Motors Ltd (Gross) Rs.4,800
 - Dividend from Trichy finance corporation Rs. 2,700
 - Interest paid on capital borrowed for investments in shares Rs. 4,200
 - Collection charges in respect of dividend Rs.460
 - Winning from lottery net amount Rs. 35,000
 - Tax deducted at sources Rs. 15,000
 - Winning from card games Rs: 23,500
 - Interest on securities issued by the Govt. of Malaysia Rs. 20,570

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- 15 a Mr. Paulmurugan has submitted the following information, Trace his gross total income for the P.Y 2022 – 23
- (i) Rent received from house property Rs. 24,000
 - (ii) Profit from hardware business Rs. 1,20,000
 - (iii) Share of loss from a firm Rs. 52,000
 - (iv) Speculations profit Rs. 15,000
 - (v) Capital gains from short capital assets Rs. 6,000
 - (vi) Capital gains from long term capital asset (Jewellery) Rs. 4,000
- Brought forward losses from the earlier
- (i) Loss from cloth business Rs. 24,000
 - (ii) Speculation loss (speculation has been closed) Rs. 20,000
 - (iii) Loss from short term capital Rs. 9,000
 - (iv) Loss from long term capital assets Rs. 3,200

OR

- b The following are particulars of Mr K.S.Srivainav, working as professor in a private college at Salem (population 20 lakh) for the P.Y 2022 – 23. Ascertain his total income and his tax liability.
- (i) Salary Rs. 35,000 p.m
 - (ii) He contributes Rs. 42,000 towards RPF
 - (iii) His employer also contribution Rs.42,000 to RPF
 - (iv) Rent – free bungalow of the annual letting value of Rs.18,000
 - (v) D.A of Rs.10,000 p.a (enter)
 - (vi) 12% interest on government loan of Rs. 65,000
 - (vii) Income from house property (computed) Rs. 36,000
 - (viii) He received Rs.3,500 for writing articles in a journal
 - (ix) He paid Rs.6,000 (by cheque) to G.I.C under medi claim
 - (x) Interest on postal saving bank deposit Rs. 300
 - (xi) Examiner ship remuneration Rs. 3,500
- During the year he paid Rs. 12,000 as life insurance premium for his own policies and spent Rs. 600 on books for his own use.

Z-Z-Z

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