



K24U 2865

Reg. No. :

Name :

**V Semester B.Com. Degree (C.B.C.S.S. – O.B.E. – Regular/Supplementary/
Improvement) Examination, November 2024
(2019 to 2022 Admissions)
Core Course
5B08COM : INCOME TAX LAW AND PRACTICE**

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries 1 mark.

1. Who is Ordinary Resident ?
2. How much deduction is allowed from family pension ?
3. What is MMR ?
4. What is less tax securities ?
5. When a company is said to be resident ?
6. List out any four exempted incomes.
7. What is Indian Income ?
8. Who is Assessee in default ?

(6×1=6)

PART – B

Answer **any six** questions from the following. **Each** question carries 3 marks.

9. Explain the basic conditions and additional conditions of residential status of an individual.
10. Explain the provisions relating to the following expenses while computing Business Income :
 - a) Preliminary expenses
 - b) Scientific research.
11. Explain the provisions relating to Agriculture income.

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12. Compute the residential status of Mr. Ram for the Previous Year 2023-24 who left India for the first time on 15-9-2019 and came back on 1-9-2022. He again left for Dubai on 15-6-2023 and came back on 14-2-2024 to settle in India.
13. Mr. Mohan resides in Kanpur. He gets a basic salary of Rs. 2,00,000 and dearness pay Rs. 2,00,000 and House Rent Allowance of Rs. 1,50,000 per annum. He pays a rent of Rs. 1,80,000 per annum. Compute the amount of H.R.A. chargeable to tax.
14. Profit and Loss account of M/s Balaji Traders shows a net profit of Rs. 1,00,000 after debiting the amount withdrawn for personal expenses Rs. 10,000, Life Insurance Premium Rs. 15,000, Income tax Rs. 22,000, expenses relating to income tax proceeding Rs. 15,000 and municipal tax relating to the self-occupied property Rs. 1,400. Compute his taxable income under the head 'Profits from Business'.
15. Mr. Manu purchased a plot in 2006-07 for Rs. 4,88,000. It was sold on 15-1-2024 for Rs. 16,80,000 and he paid Rs. 1,00,000 as brokerage charges. He invested Rs. 2,00,000 in NHAI bonds on 31-3-2024 and Rs. 3,10,000 in bonds issued by Rural Electrification Corporation Ltd., on 1-8-2024. Compute his taxable capital gains, if the CII for 2006-07 was 122 and for 2023-24 was 348.
16. The following incomes were received by Mr. A during the Financial Year 2023-24 :
- Director's Fees Rs. 6,000
 - Income from Agricultural land (in Pakistan) Rs. 40,000.
 - Interest from Post-Office Saving Bank Account Rs. 1,500
 - Interest on Fixed Deposit in SBI Rs. 1,800
 - Winning from lottery (Net) Rs. 35,000
 - Crossword Puzzles Rs. 2,500
 - Royalty on Books Rs. 20,000 (Expenses in this connection Rs. 4,000)
- Compute his income from other sources. (6×3=18)



PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. Explain the provisions regarding the Exempted Capital Gains.
18. 'X' is employed in Bharatpur Company Ltd. The population of the city is 7 lakh. The following information are available in connection with his income for the year ending 31st March, 2024.
- Salary Rs. 10,000 p.m.
 - City compensatory allowance @ Rs. 1,000 p.m.
 - Bonus @8% of basic pay.
 - Employer contributes 15% of his basic salary to recognized provident fund. X contributes an equal amount.
 - A rent-free accommodation equipped with furniture has also been provided. The cost of furniture is Rs. 80,000 (depreciated value being Rs. 64,800).
 - The employer company gifted him Rs. 15,000 on his marriage anniversary during the previous year.
 - The employee has appointed a gardener and a watchman. They are paid by the company at Rs. 1,000 p.m. and Rs. 800 p.m. respectively.
 - He is also getting an education allowance for his two children @ Rs. 450 p.m. for each.
 - He paid Rs. 4,000 as professional tax for two years during the previous year.
- Compute Taxable Salaries of X for the Assessment Year 2024-25.

19. Mr. Ashok is the owner of a house at Indore. Particulars in respect of which for the year ended 31st March, 2024 are :
- Actual rent received – Rs. 4,500 p.a.
 - Municipal valuation – Rs. 4,400 p.a.
 - Total municipal tax – Rs. 675 p.a.
 - Municipal tax paid by Mr. Ashok Rs. 450 p.a.
 - Municipal tax paid by the Tenant Rs. 225 p.a.
 - Interest on loan taken for renewing the house Rs. 335 p.a.
 - Unrealised rent allowed in the Assessment Year 2021-22 recovered during the year Rs. 2,000.

Compute Mr. Ashok's Income from House Property for the Assessment Year 2024-25.

(2×8=16)