



K17U 0705

Reg. No. :

Name :

IV Semester B.Com. Degree (CBCSS – Reg./Sup./Imp.)

Examination, May 2017

(2014 Admn. Onwards)

Core Course

4B07 COM : INCOME TAX LAW AND PRACTICE – I

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any ten** questions. **Each** question carries **2** marks.

1. CBDT stands for _____
2. Payment in cash other than salary is called _____
3. Cost of bonus shares received after 1st April 1981 will be _____
4. Provision for depreciation for assets purchased and used in the business for less than 180 days _____ (4×½=2)

PART – B

Answer **any four** questions. **Each** carries **one** mark.

5. What is Gross Total Income ?
6. Point out any allowances which are completely taxable.
7. What do you mean by vacancy allowance ?
8. Give two examples for income from other sources.
9. What is Long Term Capital Asset ?
10. What are the conditions to be fulfilled for availing depreciation ? (4×1=4)

P.T.O.



PART – C

Answer **any six** questions. **Each** question carries **three** marks.

11. What do you mean by deemed profit as per Section 41 ?
12. How taxable income from house property is computed ?
13. State the perquisites provided to employees that are not chargeable to tax.
14. What are the different deductions allowable in respect of income from other sources ?
15. List five transactions which are not regarded as transfer of capital asset.
16. Mr. X came to India on 15-10-2015 for a visit of 7 months. He is an Indian citizen. In the earlier years he was in India as follows :

Year	No. of days
2015-16	240
2014-15	340
2013-14	nil
2012-13	118

Find out the residential status of Mr. X for the A.Y. 2016-17.

17. Mr. C purchased a house for Rs. 2,00,000 in 1981-82 and paid Rs. 18,000 as registration expenses. He sold this house on 31-5-2015 for Rs. 12,00,000. The market value of this house on 15-9-2010 was Rs. 10,00,000. Compute the capital gain for the A.Y. 2016-17.
18. The following are the details relating to Mr. P for the P.Y. 2015-16 :
 - Income from agriculture in Pakistan Rs. 5,000
 - Interest on P.O. Savings Bank Rs. 1,000
 - Dividend from foreign company Rs. 700
 - Dividend from Indian company Rs. 1,000
 - Rent from subletting house Rs. 26,250
 - Expenses for sublet house Rs. 1,000
 - Winning from Lottery (Net) Rs. 12,300.

(6×3=18)



PART – D

Answer **any two** questions. Question carries **eight** marks.

19. What are the different categories into which the assesses are divided with regard to residence ? Give a brief account of each of them.

20. From the following particulars compute the business income of Mr. S.

Particulars	Rs.	Particulars	Rs.
To Salaries	90,000	By Gross profit	3,50,000
To Rent	20,000	By Dividend	4,000
To Service charges	4,000	By Bad debts recovered	
To Legal expenses	5,000	(allowed earlier)	4,400
To Reserve for income tax	6,000	By Interest on	
To Depreciation	12,000	P.O. Saving Bank	1,200
To Expenses on acquisition of patent rights	56,000		
To Office expenses	42,000		
To Contribution to RPF	12,000		
To Bad debts	4,500		
To Donation	2,500		
To Net profit	1,05,600		
	3,59,600		3,59,600

21. From the following particulars of Mr. B working in a firm at Jaipur, compute his taxable income from salary for the A. Y. 2016-17 :

	Rs.
1. Basic salary	1,800
2. Contribution to RPF	2,632
3. Employer's contribution	2,632
4. Interest on PF @ 9.5%	9,000
5. HRA	2,400
Rent paid for the house	4,800



6. Medical allowance	1,000
Medical expenses	1,200
7. Free service of water and gas for which payment was done by the employer	1,200
8. He was provided with a cook whose salary was borne by the employer	7,200
9 B was provided with a motor car for official and personal use	
10. He claims the following deductions :	
a) Rs. 700 in connection with purchase of books	
b) He paid Rs. 60 for employment tax.	(2x8=16)
