

FIFTH SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2022
(Regular/Improvement/Supplementary)

BBA

GBBA5B10T: INCOME TAX

Time: 2 ½ Hours

Maximum Marks: 80

SECTION A: Answer the following questions. Each carries 2 marks.
(Ceiling 25 Marks)

1. What are tax free securities?
2. Who is a non-resident individual?
3. Write a short note on Composite Rent.
4. How is deduction in the case of a 'person with disability' allowed u/s 80U?
5. Which are the deductions from salary u/s 16?
6. Who is an Assessee in Default?
7. Define Agricultural income.
8. What is PAYE Scheme?
9. What is unrealised rent? How is it treated?
10. Mr. Richard, a Canadian citizen, came to India for the first time on 12th February 2020. He stayed in India upto 18th January 2022 and went back to Canada. Determine his residential status for the P.Y 2021-22.
11. What is subletting?
12. Distinguish between Capital and Revenue Expenditure.
13. State any four fully exempted incomes.
14. Gross Total income of Mr.B who is suffering from a severe disability, for the previous year 2021-22 is ₹ 7,25,000. He is living in a rented house and paying rent of ₹ 9,000 p.m. Compute his Total Income.
15. How is unrealised rent treated for tax purposes?

SECTION B: Answer the following questions. Each carries 5 marks.
(Ceiling 35 Marks)

16. From the following information compute the amount of deduction u/s 80 C:

- | | |
|-------------------------------------|----------|
| a) LIC premium on his life | ₹ 22,000 |
| b) Contribution to unrecognised P F | ₹ 12,000 |
| c) Contribution to Recognised PF | ₹ 14,000 |
| d) Contribution to PPF | ₹ 25,000 |
| e) Subscription to N.S.C VIII | ₹ 12,000 |

17. State the circumstances in which the income of minor child and wife of an assessee are included in assessee's total income.
18. Annual letting value of a house is ₹ 80,00 p.m. It is let out on a monthly rent of ₹ 7,000. Municipal tax is ₹ 8,200 (which is 10% of municipal value). The house remained vacant for one month. Compute income from house property.
19. Briefly explain the exemption available u/s 54 from capital gain.
20. From the following particulars of income and losses compute the gross total income of an individual after set-off losses for the current Assessment Year:

	₹
Income from House property A	50,000
Loss from House property B	60,000
Income from interest on securities	1,50,000
Loss from a cycle business	2,00,000
Profit from speculation business	2,50,000
Gain from short-term capital asset	2,20,000
Long-term capital loss	80,000
Long-term capital gain	2,10,000

21. The company has given Mr. X a housing loan of ₹ 7,50,000 on 1-10-2021 @ 6% interest p.a. The entire loan is outstanding until the end of the financial year. Compute the taxable amount of interest for the Assessment year 2022-23 assuming that the rate of interest on housing loan charged by the SBI is 10% p.a.
22. The particulars of income of Smt. Renta (age 62 years) for the previous year ended 31st march 2022 are as under:

	₹
i) Taxable income from house property	27,000
ii) Profits and gain of business	9,80,000
iii) Capital gain in respect of short-term capital assets	5,000
iv) Capital loss in respect of long-term capital assets being buildings	20,000

Find out the tax liability for the Assessment Year 2022-23.

23. Briefly explain the order of Set -off.

SECTION C: Answer any two questions. Each carries 10 marks.

24. Explain the following:

- i) Deductions from Gross Total Income.
- ii) Income of other persons included in Assesses total income.

25. Define Annual value. How is it determined? What deductions are allowed from the annual value in computing taxable income from house property.

26. Compute Business income of Mr. Paswal for the year ended 31-3-2022:

	₹
Net profit as per P&L Account (Before Charging the following)	5,75,000
Expenditure on family planning	45,000
Lump-sum payment made for technical knowhow	90,000
Entertainment Expenditure	30,000
Expenditure on acquiring Patent Right	84,000
Expenditure on Advertisement-paid in cash	18,000
Amount paid to Rajasthan University for approved research Programme not connected with his business	20,000
Provision for Excise Duty	45,000

(He paid only ₹ 20,000 before the due date of filing I.T return)

27. Smt. Tewari, a resident individual, submit the following particulars of her income from other source for the year ended 31-3-2022;

1. Family pension from the Govt. of UP ₹ . 42,000.
2. She has written a book for schools on which she gets a royalty of ₹ 17,000 from the publisher. She has spent ₹ 3000 on books, stationery etc. during the previous year.
3. She has received remuneration for doing invigilation in examination ₹ 1,000.
4. Remuneration for acting as examiner ₹ 1,800. She incurred ₹ 75 on postage etc in connection with the examination work, which was reimbursed by the University.
5. Cash worth ₹ 1,00,000 was found in the previous year in her bank locker, the source of which could not be explained by her.
6. Interest credited to her savings bank account in Allahabad bank ₹ 800

Compute her taxable income from other sources for the Assessment Year 2022-23.

(2 × 10 = 20 Marks)