

**FIFTH SEMESTER UG DEGREE EXAMINATION, APRIL 2024****BBA HONOURS****GBAH5E01T: DIRECT TAXES****Time: 3 hours****Maximum Marks: 80****Part A: Answer *all* the questions. Each question carries 1 mark.****Choose the correct answer.**

1. Interest credited in RPF account is exempt up to:
 

A) 8%	B) 9%
C) 9.5%	D) 10%
2. Value of the facility of gardener is taxable for .....
 

A) Every employee	B) Specified employee
C) Officer	D) Director
3. Income Tax Act was passed in .....
 

A) 1961	B) 1971
C) 1981	D) 1951
4. Finance Bill becomes Finance Act when it is passed by.....
 

A) The Lok Sabha	B) Both Lok Sabha and Rajya Sabha
C) Rajya Sabha	D) Both the houses of parliament and the assent of the President
5. Maximum deduction of interest on loan is taken for construction of house property given on rent is .....
 

A) 1,50,000	B) 2,00,000	C) 30,000	D) No limit
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**Fill in the Blanks.**

6. Maximum amount for deduction as entertainment allowance to a govt. employee is .....
7. Previous Year always ends on.....
8. Tax rate on a LTCG for an individual is .....
9. TDS rate on lottery is .....
10. Subletting is taxable under the head .....

**(10 × 1 =10 Marks)****Part B: Answer any *eight* questions. Each question carries 2 marks.**

11. What is transferred balance?
12. Define Assessment Year.
13. What is preconstruction period?
14. Define annual value.
15. What do you mean by Long Term Capital Assets?
16. What is CII?
17. In what circumstances the Cost of Improvement is ignored?
18. What do you mean by bond washing transactions?
19. List out the categories of securities as per Income Tax point of view.

**(PTO)**

20. Discuss about the taxability of gift on the occasion of marriage.

(8 × 2 = 16 Marks)

**Part C: Answer any six questions. Each question carries 4 marks.**

21. Resident of Rampur Sri Vimal gets Rs 1,44,000 as salary, Rs 12,000 as dearness pay, Rs. 6,000 as dearness allowance and Rs 10,000 per annum as fixed commission during the previous year. During previous year he received Rs 30,000 as house rent allowance though he paid Rs 36,000 as rent. Compute house rent allowance exempt from tax.

22. What do you mean by agriculture income? What are its types?

23. Comment on the exceptions to the general rule of Previous Year.

24. From the following information of Mr. Vinay Johri, compute the annual value of the let out portion of the house for the Assessment Year 2024-25:

Municipal value - Rs. 20,000

Municipal Tax paid - Rs. 4,000.

House is being used for self-residential purpose but let out one-fourth (1/4) portion @ Rs 400 per month with effect from 1st January, 2024.

25. Explain the deductions from Annual Value.

26. Mr. Mohan had the following investment during the year 2023-24 :

(i) 6% Tax-free Debentures of a Sugar Company Rs 90,000

(ii) 5% U. P. Govt. Loan Rs 30,000

(iii) 6% Debentures of Agra Development Authority Rs 15,000

(iv) 15% Tax-free Debentures of Maruti Ltd. Rs 60,000

(v) 7% Port Trust Bonds Rs 10,000

Bank charged Rs 150 commission on collection of amount of interest.

Compute his taxable income from interest on securities under the head income from other sources for the Assessment Year 2024-25.

27. Mr. P gets a salary of Rs. 30,000 per month. He also gets dearness allowance @ 10% of the salary, house rent allowance of Rs. 5,000 per month and proctor's allowance of ₹ 1,000 per month. During the Previous Year 2023-24, he was out of India for three months and the salary and allowances for this period were paid to him abroad. He was not paid any proctor's allowance while he remained out of India. He paid ₹4,000 per month as the rent of the house occupied by him for his residence. He also owned a scooter which he used for the purpose of his employment in India for which he did not get any conveyance allowance. Compute his income from salary for the Assessment Year 2024-25.

28. Explain any four exempted LTCG.

(6 × 4 = 24 Marks)

**Part D: Answer any two questions. Each carries 15 marks.**

29. From the following particulars, compute tax payable by Abhinav for the Assessment Year 2024-25

i. Salary (computed)	-	Rs. 5,00,000
ii. Rent from house property	-	Rs. 28,000
iii. Long-term capital gains	-	Rs. 1,42,000

iv.	Interest from bank saving account	-	Rs. 9,500
v.	Net Agricultural income	-	Rs. 20,000
vi.	Winnings from lottery	-	Rs. 15,000
vii.	Payment of life insurance premium	-	Rs. 14,000
viii.	Contribution to recognized provident fund	-	Rs. 52,000
ix.	Premium paid by cheque on mediclaim insurance policy		Rs. 11,000
x.	Donation to P.M. National Relief Fund by cheque		Rs 10,000

30. Dr. Gupta is a medical practitioner of Ludhiana. From the following, compute his income from profession for the Assessment Year 2024-25:

a.	Gross receipts from dispensary	-	Rs. 2,35,000
b.	Gross receipts from consultation	-	Rs. 1,65,000
c.	Operation fees	-	Rs. 2,50,000
d.	Visiting fees	-	Rs. 50,000
e.	Gifts from patients	-	Rs. 30,000
f.	Medicines purchased	-	Rs. 1,25,000
g.	Closing stock of medicine	-	Rs. 35,000
h.	Salaries paid to employee	-	Rs. 1,50,000
i.	Surgical equipment purchased	-	Rs. 48,000
j.	Dr. Gupta went to attend a medical seminar in Germany to update the knowledge and spent Rs. 25,000 on it.		
k.	He owns a house whose municipal value is Rs 50,000. Half portion of the house is used for profession. Expenses paid on the house: M. Taxes 10% of M.V., Repairs Rs 10,000.		
l.	Medical books purchased (Allow depreciation @ 40%) Rs 30,000		

31. How is the residential status of an individual determined?

**(2 × 15 = 30 Marks)**