

**2023/TDC(CBCS)/ODD/SEM/
COMDSC-302T/327**

TDC (CBCS) Odd Semester Exam., 2023

COMMERCE

(3rd Semester)

Course No. : COMDSC-302T

(Income Tax Law and Practice)

Full Marks : 50

Pass Marks : 20

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

SECTION—A

Answer *fifteen* questions, selecting any *three* from
each Unit : ₹ 1×15=15

UNIT—I

1. Who is liable to pay tax on income?
2. Give one example of income as per Income-tax Act, 1961.

(2)

3. What is the basic exemption limit (under slab system) for a resident super senior individual?
4. What does 'PAN' stand for?

UNIT—II

5. What is the maximum amount of exemption for government employee in respect of entertainment allowance?
6. How much interest on RPF balance is exempted?
7. Whether salary received from 'UNO' is taxable under income tax or exempted?
8. What is the full form of HRA?

UNIT—III

9. What is the basic tax rate on casual income?
10. What is the basis of charge for house property income?
11. What is the rent of similar properties in the same or similar locality or in the neighbourhood known as?
12. State the limit up to which monetary gift received from unrelated persons are exempt.

(3)

UNIT—IV

13. What is meant by 'profession'?
14. What is Cost Inflation Index (CII) for the Financial Year, 2022-23?
15. Speculation gain is casual income or business income. Explain.
16. Point out one difference between long-term capital gain and short-term capital gain.

UNIT—V

17. What is the tax rate on 'deemed incomes'?
18. From which head loss from business cannot be set off?
19. State the section under which relief of tax is granted.
20. Point out one distinction between OPS and NPS.

(4)

SECTION—B

Answer *five* questions, selecting *one* from each
Unit : $2 \times 5 = 10$

UNIT—I

21. Who is resident individual in India?
22. List out the various heads of income under income tax.

UNIT—II

23. What is meant by perquisites?
24. What is the provision for exemption for compensation of voluntary retirement?

UNIT—III

25. What is the provision for TDS on winning from lotteries and horse races?
26. Write a note on 'pre-construction period'.

UNIT—IV

27. What is the tax treatment of benefits received by a businessman?
28. List down any four assets which are not regarded as capital assets under income tax.

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(Continued)

(5)

UNIT—V

29. What do you mean by clubbing of income?
30. Point out any two notified savings u/s 80C with maximum limit of deduction.

SECTION—C

Answer *five* questions, selecting *one* from each
Unit : $5 \times 5 = 25$

UNIT—I

31. Mr. Kishori Bilash Banik, an Indian citizen, is an employee of SBI and posted at Guwahati. He has been transferred to SBI at Dhaka, Bangladesh.

He left India, for the first time for Dhaka, on 18th August, 2021 for joining his duties there.

During the previous year, 2022-23, he came to India and his stay was for 185 days.

Determine the residential status of Mr. Kishori Bilash Banik for the Assessment Year, 2023-24.

32. Discuss the scope of Total Income.

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(Turn Over)

UNIT—II

33. Mr. Debokanta Singha, an employee of Government of India is drawing a salary of ₹ 30,000 per month and dearness allowance (DA) of ₹ 5,000 per month. From the very beginning he was getting entertainment allowance and last year his entertainment allowance was doubled. At present he is drawing ₹ 2,000 per month as entertainment allowance.

The other perquisites are of ₹ 4,000 per month. He was getting uniform allowance of ₹ 3,000 twice a year. It was claimed that whole of it has been spent on uniforms. He received ₹ 20,000 as bonus during the year.

Calculate his taxable salary.

34. From the following information, you are asked to compute the Gross Income from salary of Mrs. Sumitra Das for the Assessment Year, 2023-24 :

- (i) Basic salary received—₹ 30,000 p.m.
- (ii) Dearness allowance—₹ 10,000 p.m.
- (iii) Medical allowance—₹ 1,000 p.m.

- (iv) Employer's contribution to RPF is 15% of his basic salary
- (v) Her employer also made a matching contribution to such Provident Fund
- (vi) Interest on Provident Fund credited on 25th March, 2023 @ 11.5% p.a. is ₹ 4,600 for the year

UNIT—III

35. Mr. Trishit Banik is the owner of a house at Agartala. Particulars regarding the house are as under :

- (i) Municipal value of the house is ₹ 66,000
- (ii) Fair rent—₹ 96,000
- (iii) Standard rent under the Rent Control Act—₹ 84,000
- (iv) The house property has been let out for ₹ 8,000 per month (p.m.)
- (v) Municipal taxes paid by the tenant during the year were ₹ 5,000

The house was vacant for three months during the Previous Year, 2022-23.

Compute the Net Annual Value for Assessment Year, 2023-24.

36. Mr. Dipak Paul, aged 50 years, resident in India, furnishes the following particulars of his income for the Previous Year, 2022-23 :

	₹
(i) Royalties from book	95,000
(ii) Interest on Post Office Savings A/c	23,000
(iii) Insurance Commission received in February 2023	36,000
(iv) Directors fees for attending company meetings	26,000

He claims the following expenses :

(i) Salary of typist for preparing the final manuscript of the book	16,000
(ii) Expenses incurred in insurance commission business	6,000
(iii) Travelling expenses incurred for attending company meetings	3,000

Compute his taxable income for the Assessment Year, 2023-24.

UNIT—IV

37. Calculate the taxable income of M/s. X and Y from the following information for the year ending on 31.03.2023 (Assessment Year, 2023-24) :

Details	₹
(i) Net Profit as per Profit & Loss A/c	6,40,000
(ii) Bad Debts recovered	2,000
(iii) Fine imposed by the municipal authority	4,000
(iv) Income tax penalty	7,000
(v) Legal expenditure on tax proceedings	5,000
(vi) Interest on capital borrowed for acquisition of machinery for expansion of existing business relating to period after the machinery was put to use	10,000
(vii) Amount of contribution to Provident Fund Payable during the Previous Year, 2022-23 but not deposited by the due date for filling of return	11,000

38. Mustafa Ahmed Barbhuiya purchased a residential house during the Previous Year, 2001-02 for ₹ 40 lakhs and sold it for ₹ 2 crores during the Previous Year, 2022-23.

He purchased two houses worth ₹ 36 lakhs each on February 21, 2023.

Compute taxable capital gain u/s 54 for the Assessment Year, 2023-24.

UNIT—V

39. Explain the provisions of the Income-tax Act, 1961 regarding set-off losses.

40. Discuss briefly the provisions of the Income-tax Act, 1961 regarding deductions to be made in computing the total income of an assessee in respect of certain payments.
