2019/TDC/ODD/SEM/COMDSC–302T/257

TDC (CBCS) Odd Semester Exam., 2019

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*

UNIT—I

1. Answer any *three* from the following as directed : 1×3=3

   (a) What would be the previous year for the assessment year 2019–20?

   (b) What is assessment year?

   (c) Give one example of person as per the Income-tax Act, 1961.

   (d) Income from growing flowers and creepers is agricultural income.

   (Write True or False)

20J/**1283**

(Turn Over)

(2)

2. Answer any *one* from the following : 2

    (a) What is total income?

    (b) Write two features of Income-tax.

3. *(a)* State any six items of income that are exempted under Section 10 of the Income-tax Act, 1961. 5

Or

    (b) Write a short note on any *one* of the following :

      (i) Previous year

      (ii) Person

UNIT—II

4. Answer any *three* from the following : 1×3=3

    (a) What is perquisite?

    (b) What is the amount of deduction u/s 16(ia)?

    (c) What are the full forms of SPF and RPF?

    (d) Write two fully exempted allowances.

5. Answer any *one* from the following : 2

    (a) Write two differences between salary and allowances.

    (b) What is house rent allowance?

(3)

6. *(a)* Write a note on fully taxable allowance. 5

Or

    (b) Mr. Raja joined a new job in April 2013. His particulars of salary for the previous year 2018–19 are as under :

Basic salary—₹ 40,000 p.m.
DA—₹ 20,000 p.m. (50% enters)
Other taxable allowances ₹ 12,000 p.m.

Employer and employee both are required to contribute @12% of employee's salary towards Employees' Pension Scheme. Mr. Raja's other eligible savings like provident fund, LIC contribution, etc., are ₹ 96,000 p.a. During the year, Mr. Raja contributed an additional amount of ₹ 60,000 in NPS.

Calculate Mr. Raja's income and deduction u/s 80C, 80CCD(1), 80CCD(1B) and 80CCD(2).

UNIT—III

7. Answer any *three* from the following : 1×3=3

    (a) What are the full forms of MRV and FRV?

    (b) What is ERV?

    (c) What is the annual value of vacant self-occupied house property?

    (d) What is the rate of standard deduction of let-out house property?

(4)

8. Answer any *one* from the following : 2

   (a) What is annual value of a house property?

   (b) What is standard rent?

9. *(a)* Write a detailed note on the exempted income from house property. 5

   Or

   (b) A house was completed on April 1, 2018 and the following information is available about the house :

   Municipal value of the house ₹ 30,000 p.a.
   Fair rental value of the house ₹ 32,000 p.a.
   Actual rent ₹ 4,000 p.m.
   Municipal taxes ₹ 6,000 p.a.

   Let out for the period 01-04-2018 to 31-12-2018 and self-occupied from 01-01-2019 onwards.

   Fire insurance premium—₹ 3,600
   Land revenue—₹ 6,000

   Interest on loan for the following periods :

   (i) 01-04-2015 to 31-03-2018 ₹ 45,000

   (ii) 01-04-2018 to 31-03-2019 ₹ 15,000

   Calculate Income from House Property for the previous year ending 31-03-2019.

(5)

UNIT—IV

10. Answer any *three* from the following : 1×3=3

    (a) What is profession?

    (b) What is the difference between long-term capital gain and short-term capital gain?

    (c) What is cost of acquisition?

    (d) What does CII stand for?

11. Answer any *one* from the following : 2

    (a) Define capital asset.

    (b) Write the treatment of provision for bad debts under the head income from business.

12. *(a)* Give a brief account of exempted capital gain. 5

    Or

    (b) Mr. Ghosh sold a house on 01-09-2018 for ₹ 15,00,000. This house was inherited by him during 2001–02 from his father who had constructed it in 1991–92 for ₹ 50,000. Mr. Ghosh spent ₹ 50,000 on renovation of the house in 2006–07. Fair market value of the house as on 01-04-2001 was ₹ 4,50,000.

(6)

This house was under negotiations for sale in May 2010 and he received ₹ 20,000 as advance money. The contract could not materialize and the advance money was forfeited.

Compute the amount of capital gain assuming that he does not qualify for any exemption.

[CII for 2001–02:100, 2006–07:122, 2010–11:167 and 2018–19:280]

UNIT—V

13. Answer any *three* from the following : 1×3=3

(a) What is rebate?

(b) Write one feature of aggregation of income.

(c) What is gross total income?

(d) What are the rates of surcharge for the assessment year 2019–20?

14. Answer any *one* from the following : 2

(a) What is set-off loss? Write two ways through which set-off losses can be done.

(b) Mention two deductions (with Section) from gross total income.

20J/1283 (Continued)

(7)

15. (a) Explain the provisions of the Income-tax Act, 1961 regarding set-off losses. 5

Or

(b) From the following particulars given below, compute the total income of Mr. Deb, a Central Government employee, working at Chandigarh :

Income from salary—₹ 2,92,000

Income from house property—₹ 30,100

He earns short-term capital gain of ₹ 50,000

Income from other sources is ₹ 33,100

It includes interest credited in SBI Savings Bank A/c of ₹ 11,000

He pays LIC premium of ₹ 25,000 on his life policy of ₹ 4,00,000

He deposited ₹ 10,000 in Postal Insurance Scheme

His contribution to Statutory Provident Fund is ₹ 1,700 p.m.

★ ★ ★

20J—1480/1283

2019/TDC/ODD/SEM/
COMDSC–302T/257