

**2023/TDC(CBCS)/ODD/SEM/  
COMHCC-302T/323**

**TDC (CBCS) Odd Semester Exam., 2023**

**COMMERCE**

**( Honours )**

**( 3rd Semester )**

Course No. : COMHCC-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 *ten* questions, selecting any *two* from each

Unit :

2×10=20

**UNIT—I**

1. What is meant by agricultural income?
2. What is Permanent Account Number (PAN)?
3. Define income under the Income-tax Act, 1961.

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UNIT—II

4. What is meant by allowances?
5. What are the items of Deduction u/S 16 in computing Income from Salary?
6. What is meant by standard rent of house property?

UNIT—III

7. What are Specified Incomes u/S 56(2) of the Income-tax Act that come under Income from Other Sources?
8. What is profession as defined u/S 2(36) of the Income-tax Act?
9. Mention any four items that are not included in the definition of Capital Assets u/S 2(14).

UNIT—IV

10. In what cases, incomes of a minor cannot be clubbed to the income of his or her parent?
11. List four contributions that qualify for 50% deduction u/S 80G from total income.
12. Write the provisions for allowing rebate u/S 87A.

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UNIT—V

13. What is meant by Filing of Return?
14. Who cannot file ITR-I (Sahaj)?
15. What is Tax Collection at Source (TCS)?

SECTION—B

Answer five questions, selecting one from each Unit : 6×5=30

UNIT—I

16. Show how the following incomes are to be assessed in the hands of an assessee who is (a) resident and (b) not ordinarily resident : 3+3=6
  - \* Salary drawn during the year for employment outside India ₹ 93,500
  - \* Salary drawn for employment in London office of an Indian company for 3 months ₹ 18,000
  - \* Profits earned abroad and received in India ₹ 25,000
  - \* Profit earned from business transactions outside India and kept in bank there ₹ 18,000

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\* Dividend received from an Indian company ₹ 3,000

17. Discuss the provisions of exemption u/S 10 for the following incomes (any two) :  $3 \times 2 = 6$
- (a) House Rent Allowance u/S 10(13A)
- (b) Prescribed Allowances received by Employees u/S 10(14)
- (c) Interest Incomes u/S 10(15)

UNIT—II

18. Discuss the provisions of the Income-tax Act regarding taxability of the amount contributed to the different types of provident funds. 6

19. Mr. Rahul is the owner of a house property in New Delhi. It has been let out for ₹ 90,000. The tax payable by the owner comes to ₹ 8,400 on Municipal Valuation of ₹ 84,000, but the landlord has taken an agreement from the tenant stating that the tenant would pay tax direct to the municipality. The landlord, however, bears the following expenses on tenant's amenities :

Water Charges (as per agreement) ₹ 1000; Lift Maintenance ₹ 1,000; Salary of Gardener ₹ 1,200; Lighting of Stairs ₹ 800

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The landlord claims the following deductions :

Repairs ₹ 30,000; Land Revenue ₹ 1,000; Collection Charges ₹ 2,000. Legal Charges incurred to purchase the land on which the House Property is situated ₹ 24,000

Compute the taxable income from house property. 6

UNIT—III

20. The following is the Profit and Loss Account of a merchant for the year ending 31.03.2023 :

Profit and Loss Account			
₹		₹	
To Office Salary	2,06,500	By Gross Profit	4,36,750
„ Bad Debts W/off	1,700	„ Commission	1,250
„ Provision for Bad Debts	3,000	„ Discounts	500
„ Advertisements	53,800	„ Sundry Receipts	200
„ Fire Insurance Premium (House Property)	550	„ Rent on Building	3,600
„ General Expenses	52,750	„ Profit on Sale of Investments	3,000
„ Depreciation	1,200		
„ Interest on Capital	2,000		
„ Interest on Bank Loan (Due)	1,300		
„ Net Profit	1,22,500		
	<u>4,45,300</u>		<u>4,45,300</u>

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