

**B.Com(CS) DEGREE EXAMINATION, APRIL 2019**  
**III Year VI Semester**  
**Income Tax Law and Practice - II**

**Time : 3 Hours**

**Max.marks :75**

**Section A** ( $10 \times 2 = 20$ ) Marks

Answer any **TEN** questions

1. Write short notes on cost of acquisition.
2. Compute the taxable gain from the following particulars:
  - (a) Net consideration of a residential house Rs.21,00,000 (sold on 2.10.2017 CII : 272)
  - (b) Cost of acquisition of this house Rs.3,00,000 on 1.5.2008 (CII : 137)
3. What is casual income?
4. Calculate income from other sources from the following:
  - (a) Rs.25,00,000 6% MP Government loan.
  - (b) Rs.4,00,000 6% Non – Listed Debentures of JK Ltd.
  - (c) Rs.2,50,000 10% Listed Debentures of KK Ltd
5. From the following details find out income from other sources:
  - (a) Director's fees 5,000
  - (b) Dividend from Indian company 4,000
  - (c) Income from Horse race 7,000
  - (d) Royalty from books 9,000
  - (e) Dividend from co-operative societies 3,000
6. What are deemed incomes? Give examples.
7. Sanju submits the following information relevant for the Assessment Year 2018 – 2019
  - a) Salary Income (Gross) Rs.63,000
  - b) Business Income Rs. -80,000
  - c) House Property Income Rs. -20,000Determine the net income of Sanju.
8. What is carry forward of losses?
9. Define the term Gross Total Income'.
10. The Gross Total Income of Mr.AM is Rs.7, 50,000. He has made the following donations calculate his net income.
  - a) National Foundation for Communal Harmony Rs.15,000
  - b) National Children's Fund Rs.30,000
  - c) National Defence Fund Rs.37,500

11. Enumerate the amount of deduction U/S 80C.
12. Selvi informs you that her total income computed under the Income Tax Act, is Rs.5,20,000. calculate her tax liability for the AY: 2018 – 2019

**Section B** ( $5 \times 5 = 25$ ) Marks

Answer any **FIVE** questions

13. Explain the provisions relating to exempted capital Gain.
14. From the following details calculate capital gain:
  - (i) Sale consideration of residential house for Rs. 30,00,000 on 26.05.2017 (CII 272)
  - (ii) Cost of acquisition of the house on 01.07.2004 is Rs.10,02,000 (CII 113)
  - (iii) New residential house acquired on 2nd March 2017 for Rs.10, 00,000.
  - (iv) Cost of Stamp and Registration fees is Rs.1,00,000 ( on sale of house)
15. From the following details, compute income from other sources.
  - (a) Interest on bank deposits 10,000
  - (b) Royalty on book published 60,000
  - (c) Horse race income 4,000
  - (d) Lottery income 14,000
  - (e) Director fees received 3,000
  - (f) Family pension 45,000
  - (g) Examinership remuneration 6,000
  - (h) Expenses for writing books 4,500
16. From the following particulars of income and losses, calculate the gross income of an individual after set – off of losses for the current assessment year.
  - a. Income from house property A Rs.50,000
  - b. Loss from house property B Rs.80,000
  - c. Income from interest on securities Rs.2,00,000
  - d. Loss from a cycle business Rs.2,00,000
  - e. Profit from Speculation business Rs.2,00,000
  - f. Gain from short term capital asset Rs.2,50,000
  - g. Long – Term Capital Loss Rs.60,000
  - h. Long – Term Capital Gain Rs.2,10,000
17. Saral earned Gross total incomes of Rs.5, 00,000 in the previous year 2017 -2018 and made the following donations during the year.
  - a. Rs.10, 000 to Chief Minister's earthquake relief fund Gujarat.
  - b. Rs.15,000 to National foundation for communal harmony

c. Rs.20, 000 to Municipal Corporation approved for promotion of family planning.

d. Rs.45, 000 to approved institution.

Compute the amount of deduction admissible U/S 80G.

18. Compute tax liability to Mr.Raja for the details given below:

a. Income from Salary Rs.1,00,000

b. Income from HP Letout (not computed) Rs.15,000

c. Short term capital gain Rs.5,000

d. Long term capital gain Rs.10,000

e. Income from other source Rs.60,000

f. Total deductions under chapter VI A except 80G Rs.20,000

g. Donation to a local authority for family planning Rs.27,000

19. What are the savings eligible for tax – deduction U/S 80C of Income tax Act with respect to individuals?

### Section C ( $2 \times 15 = 30$ ) Marks

Answer any **TWO** questions

20. From the details given below, compute taxable capital gain for the A.Y – 2018-19.

Particulars	Residential House	Jewellery
Date of sale	4.7.2017	16.12.17
Date of purchase	01.06.2012	12.12.2004
Sale proceeds	555,00,000	18,05,000
Expenses on sale	-	5,000
Cost of purchase	4,00,000	3,00,000

On 1.9.16 he purchased a house for Rs. 54, 00,000. Cost of inflation index 2012-2013 = 200; 2004 – 2005 = 113; and 2017 - 2018 = 272

21. From the following particulars of Mr. JK for the previous year ended 31st March, 2018. Compute his income under the head other sources for the assessment year 2018-19.

a) Director's fee from a company Rs. 10,000

b) Interest on bank deposits Rs. 3,000

c) Income from undisclosed sources Rs. 12,000

d) Winning from lotteries (net) Rs.24,500

e) Royalty on a book written by him Rs. 8,000

f) By giving lectures in functions Rs. 5,000

g) Interest on loan given to a relative Rs. 7,000

- h) Interest on tax free debenture of a company listed in recognized stock exchanges (net) Rs.3,600
  - i) Dividend on shares Rs. 6,400
  - j) Interest on post office savings bank a/c Rs. 500
  - k) Interest on govt. securities Rs. 2,200
- He paid Rs. 100 for collection of dividend and Rs.1, 000 for typing the manuscript of book Written by him.

22. During the previous year 2017 -2018 Mr.Dinesh has the following income and expenditure
- a) Income from Profession Rs.6,80,000
  - b) Capital Gain Rs.14,000
  - c) Winning from a Camel race Rs.1,700
  - d) Winning from horse race Rs.2,000
  - e) Winning from lottery Rs.1,600
  - f) Income from other source Rs.10,000
  - g) Payment of medical insurance premium Rs.30,000
  - h) Contributions to Public provident fund Rs.70,000
  - i) Payment made for Sons school fee Rs.90,000
- Compute his total income and deduction u/s 80C and 80D.
23. Calculate the taxable income of Mr.Siva from the following if the gross total income is Rs.2, 50,000.
- a. Life insurance premium of Mr. Siva Rs.900
  - b. Contribution to LIC Pension fund Rs.1,000
  - c. Medi claims Insurance Rs.10,000
  - d. Donation to India Army Rs.5,000
  - e. Donation to Government of India for Family Planning Rs.25,000