

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. Find out inflated cost for the assessment year 2018-19.
Cost of house purchased in 2000-01 for Rs.90,000. Fair Market value on 1.4.2001 being Rs.1,50,000(CII for P.Y 2001-02 is 100; 2017-2018 is 272)
2. An asset was purchased on 5th June 2013 for Rs.2,50,000. The same asset was sold on 1st May 2016" for Rs.3,00,000. Calculate capital gain.
3. calculate income from other sources from the following;
Rs.25,00,000, 6% MP Government loan
Rs.4,00,000,6% Non-listed debentures of PKM Ltd.
Rs.2,50,000,10% listed debentures of NH Ltd.
4. Calculate the gross amount if Rs.2,00,000 is invested in 9% tax-free commercial securities(unlisted)
5. Set –off the following:
Long term capital loss Rs.85,000
Short term capital gain Rs.95,000
6. Compute the Gross total Income:
Income from house property (let-out) Rs.30,000
Loss from self occupied :Rs.16,000
7. What are “no limit donations”?
8. Mr.Ganesh’s previous year’s gross total income is Rs.5,00,000.He has made the following donations. Calculate the net income.
(a) National foundation for communal Harmony Rs.10,000
(b) National children’s fund Rs.25,000
(c) National defense fund Rs.25,000
9. Mr.X borrowed Rs.4,00,000 from a financial Institution for his Medical Education. He paid Rs.40,000 as interest on loan during the previous year. Find out the amount of deduction u/s 80E.

10. What is meant by tax rebate?
 11. From the following , compute gross total Income.

	Rs.
Income from salary	5,00,000
Loss from house property	75,000
Business Loss	1,50,000
Bank Interest	3,00,000

12. Compute Taxable Income of Mr.X:

	Rs.
Income from card games	50,000
Loss from card games	5,000
Loss on Maintenance of race horses	10,000
Profit on horse races	20,000

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

Answer any **FIVE** questions

13. Mrs.Rajamani furnishes the following particulars, Compute capital gain.

Shares in 'A' Ltd.	
Date of Purchase	01-02-2017
Date of sale	05-10-2017
Cost of purchase	Rs.25,000
Expenses on Purchase	Rs.500
Sale value	Rs.50,000
Expenses on sale	Rs.1,000

14. Compute Sekar's income from other sources , from the particulars given below:

- Dividend (Gross) Rs.5,000
- Receipts from letting of plant and machinery Rs.10,000
- Bank charges for the collection of dividend Rs.120
- Insurance premium in respect of plant and machinery Rs.500
- Depreciation (allowable) Rs.1,000
- Repairs to Plant and Machinery Rs.300.

15. From the following ,compute Gross total income of Mr.X for the year 2018-2019.

	Rs.
Loss from house property	8,000
STCG on sale of sharers.	95,000
LTCL on sale of bonds	85,000
Interest on securities (Govt)	18,000

16. Explain the Clubbing of Income.
17. How to calculate 10% limit of GTI while calculating deduction u/s 80G.
18. Mr.Nerekar's previous year's gross total income is Rs.4,50,000.He has made the following donations. Calculate his net Income.

	Rs.
a. Jawaharlal Nehru Memorial Fund	12,000
b. Rajiv Gandhi Foundation	8,000
c. Africa Fund	15,000
d. Indira Gandhi Memorial fund	14,000

19. How do you ascertain the tax liability of an individual Assessee?

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

Answer any **TWO** questions

20. From the following details, compute taxable capital gain for the A.Y 2018-2019.

	Residential House	Jewellery
Date of sale	04/07/2017	16/12/2017
Date of purchase	01/06/2001	12/12/2005
Sale Proceeds	20,00,000	8,95,000
Expenses on sale	-	5,000
Cost of purchase	3,00,000	2,00,000

CII for 2001-02 – 100; 2005-06 – 117 and 2017-2018-272

21. Calculate the Income other sources from the following for Mr.Karan.
 - a. Rent from letting of factory along with P&M (can not be separated) Rs.1,12,000.
 - b. Rent from letting of AB set for factory Rs.19,000
 - c. Collection charges in relation to rent of factory Rs.800
 - d. Fire insurance premium for factory building Rs.800
 - e. Fire insurance premium for P&M Rs.450
 - f. Repairs to factory building Rs.5,250
 - g. Depreciation for buildings, Plant and Machinery Rs.4,700
 - h. Income from sub-letting of office premises taken on rent Rs.23,500
 - i. Rent paid to owner for office premises taken on rent Rs.12,500
 - j. Winnings from Lottery (TDS – Rs.36,000) Amount including TDS Rs.1,11,000
 - k. Interest on Govt. Securities Rs.6,500
 - l. Interest from bank Rs.3,400
 - m. Interest on Income tax refund of Rs.18,000 for the A.Y 2014-15 Rs.1,200.

22. Explain the savings that qualify for rebate u/s 80C and any Ten deductions u/s 80 allowable from the gross total income.
23. Mr.X a Chartered Accountant, living at Kanpur and is Carrying on his profession there. For the Year 2017-2018 he has supplied the following particulars. Compute his total income for assessment year 2018-2019.
- a. Professional gain Rs.52,400
 - b. Rent received from house at Delhi Rs.18,000 p.a.
 - c. Municipal taxes Rs.1,500 p.a.
 - d. Long term capital gains Rs.10,000
 - e. Part time salary as lecturer in taxation laws Rs.25,000
 - f. Rent paid at Kanpur Rs.2,000 p.m.
 - g. Interest on Government securities Rs.19,000
 - h. Deposit made to PPF Account Rs.15,000