

**B.Com.(A&F) DEGREE EXAMINATION, ODD SEMESTER 2020**  
**III Year V Semester**  
**Income Tax Law & Practice I**

**Max.marks :25**

Answer any **FIVE** questions (5 × 5 = 25) Marks

1. Explain the incomes exempt from tax.
2. Compute Income chargeable under the head salaries:

Basic salary	Rs. 8,000 p.m
House rent allowance	Rs. 1,500 p.m
Commission	Rs. 8,000 p.a
Bonus	Rs. 6,000 p.a
Income tax deducted	Rs. 200 p.m
PF deducted	Rs. 350 p.m
Professional tax deducted	Rs. 40 p.m

He pays a House rent of Rs. 1,200 p.m at Coimbatore.

3. Compute income from house property of Mr. Francis for the A.Y 2020 - 21 from the following particulars; Rent received Rs. 90,000 ; Municipal value Rs. 86,000; Fair rental value Rs. 87,000; Standard rent Rs. 96,000; Municipal taxes paid by tenant Rs.1,500; Fire Insurance claims premium Rs. 500; Ground rent Rs.600; Repairs Rs. 12,000; Interest on housing loan Rs. 10,000.
4. From the following Profit and Loss account of Raman for the year ended 31.3.2020, Calculate income from business:

Particulars	Rs.	Particulars	Rs.
To Salary to staff	50,000	By Gross profit	4,00,000
To Office expenses	20,000	By House property income	20,000
To Depreciation	20,000	By capital gains	80,000
To Advertisement	20,000		
To Provision for Bad debts	40,000		
To Net profit	3,50,000		
	5,00,000		5,00,000

## 5. Cash book of an auditor for the period ended 31.3.2020

	Rs.		Rs.
To balance b/d	9,614	By Office expenses	24,150
To Audit fees	54,750	By personal expenses	4,769
To Accountancy work fees	25,475	By membership fees	4,045
To Other sources of income	27,745	By Income tax	2,493
To Rent from House property	14,200	By car purchased	23,450
		By car expenses	5,420
		By insurance (house)	300
		By Balance c/d	67,157
	1,31,784		1,31,784

(i) Depreciation on car 15%

(ii) 1/4th of car expenses for personal use.

Compute professional income for the A.Y 2020-21.

## 6. Following are the particulars of the income of Mr.X working in a company at Mumbai:

Salary	20,000 p.m
D.A	4,000 p.m
HRA	2,500 p.m
Rent from House property	10,000
Contribution to RPF	10,000

Find out his total income and tax liability for the A.Y 2020 - 2021.

## 7. What is PAN? State its features.