

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN  
(AUTONOMOUS)  
(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)  
Chromepet, Chennai — 600 044.  
B.Com.(CS) END SEMESTER EXAMINATIONS APRIL-2022  
SEMESTER - V  
18UBCCT5A15 - Income Tax Law and Practice - I**

**Total Duration : 3 Hrs.**

**Total Marks : 60**

**Section A**

Answer any **SIX** questions ( $6 \times 5 = 30$  Marks)

1. Mr. Jain, an Indian citizen had been staying in Singapore during 1998 - 2007 and in Canada from 01.04.2016 to 31.03.2020. On 01.04.2022 he came to India and has been staying his ever since. Determine his residential status for the previous year 2020 - 2021.
2. Mr. Jhon received the following from Ramco Ltd., Chennai during the P. Y. 2020 – 21. Basic salary Rs.8,000 p.m., D.A. Rs.4,000 p.m. (it forms part of Retirement benefits), Bonus Rs.10,000 p.a., Commission 3% on turnover (Turnover during the P.Y. Rs.3,00,000) HRA received Rs.6,000 p.m. actual rent paid Rs.6,500 p.m. Find out Taxable house rent allowance (HRA).
3. Write a note on provident fund and its classification.
4. Write a note on exempted house property income.
5. Mr. Ram retires from the central government services on 31.05.2020. He gets pension of Rs.13,500.p.m. up to 31.01.2021. with effect from 01.02.2021, he got one third of his pension commuted for Rs.1,20,000. Ascertain the taxable amount of pension for the P.Y. 2020 -21.
6. From the following particulars, calculate Gross Annual Value

Particulars	House 1 (Rs.)	House 2 (Rs.)
MRV	30,000 .p.a	4,20,000.p.a.
FRV	24,000.p.a.	5,00,000.p.a.
SRV	35,000.p.a.	6,00,000.p.a.

7. The profit and loss account of a firm shows a profit of Rs.55,000, after charging the following items. Find out income from business.

Particulars	Rs.
Fire insurance premium paid ( house property)	2,050
Drawings by the partner	6,000
Advance Tax paid	3,000
Income Tax	4,000
Sales tax	2,800

**Contd...**

8. State whether the following expenses are admissible or inadmissible while calculating the income from business:
- Fees paid to a lawyer for drafting the deed of agreement of partnership firm.
  - Income tax paid by the company.
  - Bonus to partner for extra services.

### Section B

Answer any **THREE** questions ( $3 \times 10 = 30$  Marks)

9. From the following P&L account of Mr. Rajan, compute his taxable income from business for the P.Y 2020 – 21.

Particulars	Rs.	Particulars	Rs.
To staff salary	48,000	By Gross profit	75,000
To Donation	6,000	By Income from H P	15,000
To Electricity Charges	5,000	By Dividend	5,000
To provision for bad debts	3,000		
To Net profit	33,000		
	<b>95,000</b>		<b>95,000</b>

10. From the following particulars, compute Gross annual value:

Particulars	House 1 (Rs.)	House 2 (Rs.)
MRV	1,00,000	2,00,000
FRV	1,25,000	2,25,000
SRV	1,12,500	2,10,000
Actual Rent	10,000.p.m.	15,000.p.m.
Period of vacancy (in month)	1.5	2.5
Unrealised rent	1	2

11. From the following receipts and payment accounts of Mr. Rajam, a chartered accountant, you are required to compute his Income from profession.

Receipts	Rs.	Payments	Rs.
To Balance b/d	12,000	By Office Expenses	75,000
To Audit fees	4,80,000	By Membership fees	25,000
To Income from other audit work	70,000	By LIC Premium paid	10,000
To Examiner Fees	8,000	By Income tax	40,000
		By personal expenses	50,000
		By motor car	3,00,000
		By Car Expenses	38,000
		By balance c/d	32,000
	<b>5,70,000</b>		<b>5,70,000</b>

Contd...

12. Compute the taxable portion of allowances from the information furnished by Mr. Ravi:

- |                           |   |
|---------------------------|---|
| a. Travelling allowance   | Rs.1,500 p.m. ( Expenses spent Rs. 750p.m.) |
| b. Helper allowances      | Rs.1,200 p.m ( Expenditure Rs1,350 p.m.)    |
| c. Tribal area allowances | Rs. 2,400 p.m.                              |
| d. Educational allowances | Rs. 300 p.m. per child for 3 children       |
| e. Hostel allowances      | Rs. 2,500 p.m. per child for 3 children     |
| f. Transport allowances   | Rs. 19,000 p.m. (Expenses Rs.15,000 p.m.)   |
| g. Conveyance allowance   | Rs. 1,500 p.m. (50% personal                |
| h. Dog allowance          | Rs.1,000 p.m.                               |

13. What is e-filing of return and explain the steps for e-filing of return?

\*\*\*\*\*