

**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.(PA) END SEMESTER EXAMINATIONS APRIL-2022

SEMESTER - IV

19UPACT4010 - Income Tax Law and Practice – II

Total Duration : 3 Hrs.

Total Marks : 60

Section A

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

1. Compute the taxable capital gain from the following particulars:

i. Cost of acquisition of residential house (2008 – 2009)	3,50,000
ii. Sale consideration on 5.10.2020	70,00,000
iii. Stamp duty value	80,00,000
iv. Cost of acquisition of a new house purchased in December 2019	6,00,000

Cost of inflation index in 2008 – 09 was 137 and 2020 -2021 = 301.

2. Compute the taxable income for the AY 2021 -2022 of Mr. John from the following information given below to you:
- a) Expenses on race horses at Hyderabad Rs.4,00,000
 - b) Expenses on race horse at Bangalore Rs.2,50,000
 - c) Stake money earned by horses at Hyderabad Rs. 2,40,000
 - d) Stake money earned by horses at Bangalore Rs. 1,80,000
 - e) He received Rs. 2,20,000 on betting during horse race at Hyderabad.
 - f) He won a lottery of Rs.50,000.
 - g) He earned an income of Rs. 40,000 under speculation business.
3. From the following particulars of income and losses, calculate the gross income of Mr. Kumar after setting off losses for the current AY 2022-2022.

Particulars	Rs.
Income from house property A	50,000
Loss from house property B	80,000
Income from interest on securities	2,00,000
Loss from cycle business	2,00,000
Profit from speculation business	2,00,000
Gain from short term capital asset	2,50,000
Long term capital loss	60,000
Long term capital gain	2,10,000

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4. Mr. Kumar previous years 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

5. An agricultural land purchased in the year 2003 - 04 for Rs.46,400. Sold for Rs.3,80,000 on 1.5.2019. The Assessee purchased another piece of agriculture land on 1.8.2020 for Rs.70,000 and deposited Rs.30,000 on 24.6.2020 in capital gain amount scheme.

Calculate capital gain chargeable to tax for the AY 2021-22. The cost inflation index 2003 -04 was 109 and in 2020– 2021 it was 301.

6. Compute income from the other sources from the particulars given below:

	Rs.
a. Interest on deposits with a company	10,000
b. University remuneration on working as examiner	8,000
c. Royalty for writing books (He spend Rs.20,000 on writing these books)	80,000
d. Dividend declared from domestic company	12,000
e. Interim dividend	6,000
f. Family pension received	48,000

7. Explain any 3 deductions allowable from the gross total income U/S 80.

8. Explain in detail the power of CBDT.

Section B

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

9. Explain various types of Assessments.
10. Mr.X purchases a house property for Rs.26,000 on 10th May 1962. He gets the first floor of the house constructed in 1967 – 68 by spending Rs.40,000. He dies on 12th September 1978. The property is transferred to Mrs.X by his will. Mrs.X spends Rs.30,000 and Rs.26,700 during 1979-80 and 2007 – 08 respectively for reconstruction of the property. Mrs.X sells the house property for Rs.45,00,000 on 15th March 2021 (brokerage paid by Mrs.X is Rs.11,500). The fair market value of house on 1st April 2001 is Rs.1,60,000. CII for 2001 – 02 is 100, for 2007 – 08 is 129, for 2020 –2021=301 Mrs.X received and forfeited Rs.10,000 as advance money during 91-92. Calculate income from Capital Gain.

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11. Compute income from other sources of Mr. krishnamurthy who held the following investments during the previous year 2020-21.
- i. Rs.11,000, 10% central government, securities.
 - ii. Rs.36,000, 10% tax free commercial securities.
 - iii. Rs.6,300, received as interest on Tax Free Public Limited Company securities.
 - iv. Rs.7,200, received as interest on Karnataka Government securities.
 - v. Rs.4,500, received as interest on Debentures of X Ltd. (Listed).
 - vi. Rs.30,000, 13.5% securities of a Paper Mill Co. (Listed).
 - vii. Rs.35,000, 11% securities of a Paper Mill Co. (Listed).
 - viii. Rs.10,000, 15% Jaipur Municipal Corporation Bonds.
 - ix. Dividend from Carona Limited Rs. 4,000.
 - x. During the year he also got a prize in Karnataka State Lottery. The net amount received by him was Rs.35,000. Interest on all securities is payable on 1st July and 1st January every year. Bank charges Rs.200 as collection charges.
12. The following are the particulars of income of Mr.R for the previous year ended 31st march 2021.

Dividend	20000
Loss from bank deposits	32000
Interest from bank	10000
Business income	50000
Loss in speculation business	3000
Short term capital Loss	10000
Long term capital gain	15000

Compute the gross total income of Mr.R after setting of the different losses against other income.

13. Compute tax liability to Mr.X for the details given below:

Particulars	Rs.
Income from salary	1,50,000
Income from HP let-out (not computed)	15,000
Short – term capital gain	5,000
Long – term capital gain	10,000
Income from other sources	60,000
Total deductions under chapter VI A except 80G	20,000
Donation to a local authority for family planning	27,000
