

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. END SEMESTER EXAMINATIONS NOVEMBER-2022
SEMESTER - V
18UCOCE5A01 - Income Tax Law and Practice - I

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section A

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

1. Bring out the Incomes Exempted from Tax.
2. X receives salary of Rs.40,000 p.m. and D.A. @ 10,000 p.m. His employer declares half of D.A. as pay (i.e. enters into pay for service benefits). Compute his salary.
3. Calculate ARV from the particulars given below:
MRV Rs. 60,000 p.a
FRV Rs. 66,000 p.a
a) If Actual Rent is Rs.72,000 p.a and Standard Rent is Rs.69,000 p.a
b) If Actual Rent is Rs.63,000 p.a and Standard Rent is Rs.69,000 p.a.
4. Profit & Loss A/c of a business shows a profit of Rs.1,00,000 after debiting the following expenses:

Particulars	Amount Rs.
Personal Expenses	10,000
LIC Premium	15,000
Income Tax	22,000
House Municipal Tax	1,400

Compute the taxable Income of the Business.

5. Explain the different types of Assessment.
6. Mr.Hari is employed at Amritsar on a Salary of Rs.30,000 p.m. the employer is paying H.R.A. of Rs.8,000 p.m. but the actual rent paid by him (employee) is Rs.12,000 p.m. he is also getting 2% Commission on turnover achieved by him and turnover is Rs.50,00,000. Compute his Gross Salary.
7. From the following details furnished by Mr.Ranganathan for the previous year ending 31.3.2022, compute income under the head income from house property.

	Rs.
Municipal value	1,25,000p.a
Actual Rent Received	1,25,000p.a.
Municipal Tax.	40,000
Owner bears the following expenses	
Lift maintenance	Rs.7,500
Pump maintenance	Rs.4,000
Gardener's salary	Rs.2,500

8. Mr.Ram, an Indian Citizen leaves India for the first time on 31st May 2017 and comes back on 15th May 2020. He again leaves India on 10th June 2021 to come back on 14th January 2022. He is living in India since then. Determine his status for the previous year 2021-22.

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Section B

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

9. The following are the particulars of income of Mr. Sachin. Prepare total income, if he is
 a) Residential b) Non - Ordinary Residential c) Non-Resident
- i. Share of income from joint venture in India Rs.20,000
 - ii. Dividend Rs.2,000
 - iii. Agriculture Income from in London Rs.40,000
 - iv. Salary received in India Rs.19,600 but the services for the same were rendered in American
 - v. Income from business (controlled from India) in Singapore Rs.20,000 and remitted to India
 - vi. Income earned and received in Malaysia from bank deposits Rs.10,000.
 - vii. Income accrued in India but received in Dubai Rs.20,000.
10. From following particulars, compute salary for the purpose of calculation of value of rent free accommodation.
- Basic Salary @ Rs.60,000 p.m.
 - Dearness Allowance @ Rs.10,000 p.m. (60% enters)
 - Dearness Pay @ 2,000 p.m. (Not part of salary for calculation of pension)
 - Bonus - One month basic salary.
 - Commission – Employee earned Rs.1,00,000 commission during the year on the basis of turnover achieved by him.
 - Income tax of employee paid by employer Rs.66,500.
 - Education allowance @ Rs.300 per child for 3 children.
 - Advance salary – Salary of 2 months received in advance.
 - Lunch allowance @ Rs.250 per day for 300 days.
 - Arrears of salary Rs.2,00,000. Arrears of salary belong to an earlier year when there was a dispute regarding fixation of his salary.
11. Following are the particulars of 2 let out houses of Mr. Ashu Aggarwal.

	House A Rs.	House B Rs.
Municipal valuation	4,20,000	3,50,000
Fair Rental Value	3,60,000	3,80,000
Standard Rent	4,40,000	3,20,000
Actual Rent	4,80,000	4,20,000
Unrealised rent of current year	40,000	35,000
Vacancy	2 months	2 months
Municipal Taxes		
Actually paid	12,000	35,000
Due but not paid	30,000	10,000
Repairs	10,000	8,000
Insurance premium	12,000	6,000
Other expenses	8,000	10,000
Interest on money borrowed for the purchase of house	-	60,000

Determine Mr. Ashu's income from House Property.

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12. From the following statement, compute the Income from Profession of Dr.Natarajan accounts are maintained on mercantile system:

Particulars	Amount	Particulars	Amount
To Dispensary Rent	36,000	By Visiting fees	45,000
To Electricity and Water Charges	6,000	By Consultation fees	1,25,000
To Telephone Expenses	6,000	By Sale of Medicines	72,000
To Salary to Nurse and compounder	36,000	By Dividends	5,000
To Depreciation on Surgical Equipment	6,000		
To Purchase of Medicines	36,000		
To Depreciation on X-ray Machines	4,000		
To Income Tax	5,500		
To Donation to Hindu Mission	4,000		
To Motor Car Expenses	9,600		
To Depreciation on Car	4,800		
To Net Income	93,100		
GRAND TOTAL	2,47,000		2,47,000

Additional Information:

- Electricity and water Charges Include Domestic Bill of Rs.2,500
 - Half of the motor car expenses are for professional Use.
 - Telephone Expenses include 40% for personal use.
 - Opening stock of medicines was Rs.6,000 and closing stock was Rs.4,000.
13. Examine the different types of Return and E-filing.
