

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.

M.Com.(CS) - END SEMESTER EXAMINATIONS NOVEMBER - 2022

SEMESTER - II

21PMCCT2006 - Income Tax

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section A

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

1. State the Basis of charge of Income
2. Describe the Scope of Total Income.
3. Computation of Basic Salary. Dr.Mani was appointed as manager of a Private Ltd., Co., on 1.1.2019 in the grade of Rs.17,400 – 300 – 25,000 at a basic pay of Rs.17,400 p.m. Compute his salary Income for the previous year 2021 – 22 if
 - (a) Salary is due on 1st of every month,
 - (b) Salary is due on last date of every month.
4. Describe the Incomes from House Property wholly exempt from tax.
5. Compute the amount to be written off during the previous year 2021 – 22 on account of Patent Rights in the following cases:
 - a) Acquired the rights on 1.5.21 at a cost of Rs.1,47,000.
 - b) Acquired the rights on 1.11.21 at a cost of Rs.1,47,000, but the business was commenced on 1.4.2021.
 - c) Acquired know how in 2021 – 22 at a cost of Rs.1,47,000.
6. What are 'Capital Assets'? Classify its Kinds.
7. Shri.Arul is a Central Government Employee in the Ministry of Finance (Date of joining, February 10, 2012). During the previous year 2021 – 22, his basic salary is Rs.12,000 per month. Dearness allowance considered for service benefit is Rs.2,000 per month. He contributes 10 per cent of his salary towards notified pension scheme. A marching contribution is made by the Central Government. Compute the taxable income of Shri.Arul. Arul has also contributed another 60,000 towards notified pension scheme.
8. Determine the Powers of Assessing Officer Sec.2(7A)

Section B

Part A

Answer any **TWO** questions ($2 \times 10 = 20$ Marks)

9. Mr.Kumar an employee of ABC Ltd., has given the following details with regard to his income for the Previous Year 2020 – 21. Compute his taxable salary.
Salary less tax deducted at source and own contribution to RPF Rs.70,000
Tax deducted at source Rs.6,000.
Own contribution to RPF Rs.14,000.
Employer contribution to RPF Rs.15,000.
Interest on RPF @ 10% Rs.3,780.
HRA (He resides in his own houses) Rs.400 p.m.

Contd...

LIC premium paid by the employer Rs.2,000.

Professional tax paid by the employer Rs.3,000.

He is provided with a big car for both official and personal purposes. Expenses are met by the employer. A gardener and a servant have been provided and their salary being Rs.200 and Rs.150 respectively.

10. Mr.Kumar owns horses at Bangalore and Delhi. The horses run in races at the respective race courses. During the year 2021 – 22, Mr.Kumar submits the following information.

- i. Expenses on race horses at Bangalore Rs.4,00,000.
- ii. Expenses on race horses at Delhi Rs.6,00,000.
- iii. Stake money earned by horses at Bangalore Rs.5,00,000 and in Delhi Rs.3,00,000.
- iv. Mr.Kumar received Rs.1,26,000 on betting during horse races at Bangalore.
- v. Kumar also received Rs.49,000 as lottery winnings and his winnings from card games were Rs.20,000 during the year.

Compute the income from other sources of Kumar for the assessment year 2022-23.

11. Mr.Raman submitted the following particulars. Solve his gross total Income for the previous year 2020 – 21.

- i. Income from house property Rs.15,000.
- ii. Income from textile business Rs.36,000.
- iii. Loss from stationery business Rs.10,000.
- iv. Speculation loss Rs.2,000.
- v. Long term capital gains Rs.20,000.
- vi. Short term capital gains Rs.10,000.
- vii. Income from the activity of owning and maintaining horses Rs.13,000.
- viii. Winning from Lottery Rs.12,000.

The losses of Arun brought forward from the previous year 2019-20

- i. Loss from house property Rs.8,000.
- ii. Loss from stationery business Rs.7,000.
- iii. Loss under the head capital gains Rs.4,300.
- iv. Loss from the activity of owning and maintaining race horses Rs.14,700.

12. Mr.John furnished the following details for the previous year 2020 – 2021.

Income from business Rs.8,00,000.

Interest on fixed deposit in Indian Bank Rs.9,000.

Income from house property (computed) Rs.2,50,000.

Income from lottery Rs.16,000.

Determine the amount of instalments payable as advance tax.

Part B

Compulsory question (1 × 10 = 10 Marks)

13. From the following Receipts and Payment account of Dr.Sathish, Compute his professional income for the Previous year 2020 – 21.

Receipts	Rs.	Payments	Rs.
To Balance b/d	1,50,000	By Establishment Expenses	30,000
To Consultation fees	24,00,000	By Rent of Clinic	1,20,000
To Visiting fees	3,60,000	By Staff Salary	4,80,000
To Sale of Medicine	11,40,000	By Electricity	60,000
To Gift from Patients	50,000	By Investment in Residential Property	32,90,000
To Gift from Relatives	60,000	By Books	10,000
To Dividend on Shares	5,000	By Balance c/d	1,75,000
	41,65,000		41,65,000
