

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.(A&F) - END SEMESTER EXAMINATIONS APRIL - 2023
SEMESTER - II
20PAFCT2006 - Income Tax Law and Practice - II

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

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

1. What are included and excluded from capital assets?
2. Mr.Arun submits the following information for the previous year. How will you adjust the losses shown by him?

	Rs.
Income from Salary (computed)	1,00,000
Income from House property	7,500
Business Loss	15,000
Bank Interest	30,000

3. Mr.R furnishes the following information in respect of donations made by him for the PY 21-22.

	Rs.
Donation to National Defence Fund	5,000
Donation to Africa (Public contribution) Fund	7,000
Donation to Rajiv Gandhi Foundation	8,000
Donation to a poor boy for higher studies	500
Donation to approved charitable trust	40,000
Donation to a political party	1,000

His gross total income is Rs.2,10,000 which includes dividend from an Indian company amounting to Rs.10,000. Compute deduction allowable u/s 80G.

4. Describe the various types of assessment.
5. Show the income from other sources of Miss.Anu from the following details furnished.
 - (a) She holds Rs.50,000 10% tax free Government securities.
 - (b) She received Rs.10,000 interest on Tamilnadu State Government Securities.
 - (c) She holds 1,00,000 10% Tax free debentures of P & R Co., Ltd. (Listed).
 - (d) Rs.12,000 interest was received by her on Tax free Securities of a Ltd. Company.
 - (e) Rs.60,000 15% debentures are held by her in a Ltd. Co.,
 - (f) Rs.8,000 interest was received by her on securities of a paper mill company (Listed).
6. Mr.X provided the following particulars of his income and loss for the AY 2022-2023.
 - (i) Income from house property (computed) Rs.23,000
 - (ii) Profits and Gains of personal business Rs.30,000
 - (iii) Share of profit from an AOP (AOP has paid tax at the maximum marginal rate) Rs.15,000
 - (iv) Short term capital gain Rs.13,000
 - (v) Long term capital gain (Building) Rs.22,000
 - (vi) Long term capital loss (Shares) Rs.29,000

The following items have been brought forward :

- (a) Business loss of AY 2015-2016 Rs.35,000
- (b) Loss from House property of AY 2017-2018 Rs.26,000.

Compute his gross total income for the AY 2022-2023.

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7. Explain any six due deductions from gross total income for expenses made.
8. Examine the tax liability of an individual on the following cases:
 - a. If the income of the individual is Rs.50,00,000
 - b. If the income of the individual is Rs.2.5 Crore

Section C

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

9. From the details given below, compute taxable capital gain for the AY 2022-2023.

PARTICULARS	RESIDENTIAL HOUSE	JEWELLERY
Date of sale	4.7.21	16.12.21
Date of purchase	1.6.2012	12.12.2004
Sale proceeds (Rs.)	55,00,000	18,05,000
Expenses on sale (Rs.)	Nil	5,000
Cost of purchase (Rs.)	4,00,000	3,00,000

On 1.9.22, he purchased a house for Rs.60,00,000. Cost of inflation index 2012-2013 = 200; 2004-2005 = 113 and 2021-2022 = 317.

10. Ms.Preeti gives the following particular of her income for the previous year 2021-22. Compute her Income from other sources.

Particulars	Rs.
a) Dividend on equity shares	600
b) Dividend on preference shares[Gross]	3,000
c) Income from letting on hire of building & machinery under lease	25,000
d) Interest from bank deposits [saving A/c]	14,000
e) Director's sitting fees received	2,000
f) Ground rent	1,000
g) Income from undisclosed sources	15,000
h) Winning from lotteries [Gross]	10,000

The following deductions are claimed by her:

	Rs.
a) Collection charges of dividend	50
b) Allowable depreciation on building & machinery	5,000
c) Fire insurance on building & machinery	500

11. Sri.Mukund furnishes the following particulars of his income for the PY 21-22. Compute his total income:

	Rs.
Dividend on equity shares (Gross)	600
Dividend on preference shares (Gross)	3,200
Interest on deposits with SB (Gross)	60,000
Director's sitting fees	1,200
Ground rent	800
Income from undisclosed income	10,000
Income form lotteries (gross)	10,000
Income from agricultural land in India	2,000
Income from agricultural land in U.S.A	1,00,000
Interest on bank deposits with UCO Bank	5,000

Mukund received the following sums as gifts during 2021-2022.

Rs.55,000 from his sister on 04.10.2021.

Rs.27,000 from his friend on 16.08.2021

Rs.29,000 from his another friend on 30.01.22.

Mukund receives following properties from his friends without any consideration:

House property situated at Chennai, stamp duty value Rs.50,000.

House property at Madurai, stamp duty value Rs.5,00,000.

The following deductions are claimed by him.

Collection charges of dividend Rs.20.

Interest on capital borrowed for investment in preference shares Rs.1,000.

12. Determine Residential status of firms.

II - Compulsory question (1 × 10 = 10 Marks)

13. Krishnamoorthy, born on 05.01.1975 has the following information:

Particulars	Rs.
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Salary income	1,00,000
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Rent from house (p.a)	58,000
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Municipal taxes paid during the year 6,000

Short term capital gain on sale of listed equity shares on 01.09.21 (subjects to STT) Rs.5,000

Long term capital gain on sale of gold Rs.3,50,000

Winnings from lottery(Gross) Rs.50,000

Interest on commercial securities Rs.6,000

Interest on Govt.securities Rs.2,000

Interest on debentures of a listed co., Rs.1,50,000

Deposit in PPF account Rs.90,000

LIP on own life policy (sum assured Rs.2,00,000) Rs.20,000

Crossword puzzle winnings Rs.80,000.

Compute the net tax payable by Krishnamoorthy for the AY 22-23.
