

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 -2023

SEMESTER - V

20UCOET5001 - Income Tax Law and Practice - I

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section B

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

1. Explain the scope of Income Tax.
2. Mr.Gatting, a foreign citizen leaves India for the first time in the last 20 years on November 25, 2020. During the calendar year 2021, he comes to India on September 1, and stays in India for a period of 20 days. During the calendar year 2022 he does not visit India at all but comes to India on January 15, 2023. Determine the residential status of Mr.Gatting for the Assessment Year 2023-24.
3. Find out salary of Mr.O.P Gupta from particulars given below:

	Rs.
Net salary received	72,000
Income tax deducted at source	4,000
Professional tax	1,200
Group Insurance Premium deducted by employer	1,200
Rent of house deducted out of salary	3,600
Life insurance premium paid by employee	6,000

4. Mr.Sen was appointed as Reader in Kolkata University in the scale of 37,400 – 1,200 – 62,400 on 1.9.2019. Compute his salary income for the previous year 2022-23 if (a) salary is due on 1st of every month; (b) salary is due on last date of every month.
5. From the particulars given below compute ARV in each case separately

Particulars	A (Rs.)	B (Rs.)
MRV	60,000	48,000
FRV	75,000	60,000
Real Rent	69,000	54,000
Standard Rent	Not applicable	72,000

6. Mr.R has a self occupied house at Pune where Rent Control Act is applicable. Its MRV is Rs.1,08,000 p.a and FRV is Rs.1,20,000 p.a. Standard Rent is Rs.1,02,000. Compute ERV.

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7. From the information given below find out how much amount can be debited during the previous year
2022 – 23. These expenses relate to previous year 2022-23

S.No.	Expenses	Amount & Date of payment	Due date
1	Advance income tax	Rs.62,000 on 29.7.2023	31.7.2023
2	GST	Rs.1,40,000 paid on 1.1.2024	31.7.2023

8. Discuss the powers and appointments of income tax authorities.

Section C

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

9. Show how the following incomes are to be assessed in the hands of an assessee who is a) resident b) non-resident and c) not ordinarily resident.
- Salary drawn during the year for employment outside India from Government of India – Rs.93,500
 - Salary drawn for employment in London office of an Indian company for three months – Rs.18,000
 - Profit earned abroad and received in India – Rs.25,000
 - Profit earned from business transaction outside India and kept in Bank there – Rs.18,000
 - Dividend received from an Indian company - Rs.3,000
10. Compute taxable part of annual accretion from information given below:
- Salary @ Rs.48,000
 - Commission @ 1% of turnover of Rs.80,00,000 achieved by him during the previous year.
 - Employer's contribution to R.P.F @ 7,000 p.m.
 - Interest credited to R.P.F. balance @ 12% p.a is Rs.72,000.
11. Compute Annual Rental value in the following case:
- Municipal rental value – Rs.48,000 p.a
 - Actual Rent Received – Rs.50,000 p.a
 - Lift and pump maintenance charges born by owner – Rs.6,000 p.a
 - Salary of common gardener and watchman paid by tenants to the owner is Rs.500 p.m and actual expenses incurred by the owner during the year are Rs.4,200.

12. Following is the P&L Account of Kesari Mallya for the previous year 2022-23

Profit and Loss Account

Particulars	Rs.	Particulars	Rs.
To salaries	25,650	By Gross profit	80,000
To rent	1,000	By bank interest	450
To commission on sales	100	By bad debts recovered (last year allowed)	2,000
To income tax	2,600	By income from house property	4,800
To entertainment expenses	600	By interest on commercial securities	2,000
To commission paid to collect interest on securities	25		
To embezzlement by cashier	1,000		
To municipal tax	600		
To bad debts	450		
To repairs to house	1,625		
To office expenses	9,180		
To depreciation	5,000		
To L.I.C premium	1,320		
To net profit	40,100		
	89,250		89,250

Allowable depreciation on the Assets is Rs. 4,500. Compute the taxable business income for the Assessment year 2023-24.

13. Discuss the various types of Assessment in Income tax.
