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Reg. No.....

Name.....

**B.Com. DEGREE (C.B.C.S.) [PRIVATE] {SPECIAL SUPPLEMENTARY}
EXAMINATION, MAY 2023**

Fifth Semester

B.Com.

Optional Core : C050CT01—INCOME TAX—I

(For Private Registration Candidates)

(2020 Admission Only)

Time : Three Hours

Maximum Marks : 80

Instructions : *This question paper contains two sections. Answer Section I questions in the answer book provided. Section II Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under Section II.*

Section I

PART A

*Answer any ten questions.
Each question carries 2 marks.*

1. Define person.
2. Explain Gross total income ?
3. What is Maximum Marginal Rate ?
4. What is Annual Accretion ?
5. What do you mean by negative annual value ?
6. What is PAN ?
7. What is Rebate ?
8. What are Perquisites ?
9. Explain previous year ?
10. What is Unrealized rent ?
11. What do you mean by Profit in lieu of Salary ?
12. What is Casual Income ?

(10 × 2 = 20)





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Part B

*Answer any six questions.
Each question carries 5 marks.*

13. How to calculate Total Income of an Individual, Illustrate ?
14. What do you mean by an Unrecognized provident fund ?
15. What are the expenses expressly disallowed ?
16. Mr. A, a citizen of India, is an export manager of ABC Limited, an Indian Company, since 1.5.2016. He has been regularly going to France for export promotion. He spent the following days in France for the last five years :

<i>Previous year ended</i>	<i>No. of days spent in France</i>
31.3.2017	317 days
31.3.2018	150 days
31.3.2019	271 days
31.3.2020	311 days
31.3.2021	294 days

Determine his residential status for Previous year 2021-2022 assuming that prior to 1.5.2016 he had never travelled abroad ?

17. Amalesh owns a house property which is let-out for Rs. 6,500 per month. The fair rent of the property is Rs. 90,000. Municipal taxes paid during the year for each half year is Rs. 3,200. The tenant has spent Rs. 10,000 towards repairs of the property during the year. Compute the income from house property for the assessment year 2022-23.
18. From the following details calculate taxable HRA, if any, of Mr. A who is working and living at Delhi.

Basic Salary pa Rs. 2,50,000.

Dearness allowance pa (forming part of salary) Rs. 75,000 .

House rent allowance pa Rs. 85,000 .

Rent paid pa Rs. 85,500.





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19. Mr. A retired on 25.01.2022 after rendering a service of 25 years and 10 months. He earned a salary of Rs. 2,10,000 from 1.1.2021 to 30.6.2021 and his salary was increased w.e.f. 1.7.2021 to Rs. 2,15,000 p.m. He received a dearness allowance of Rs. 1,000 p.m. But the terms of employment did not provide for inclusion of D.A for the purpose of gratuity. Calculate the taxable amount of gratuity if he received Rs. 72,75,000 as gratuity assuming that Mr. X is not covered under the Payment of Gratuity act, 1972.
20. Mrs. A, an Indian citizen, who was working in the Indian High Commission of UK for a period of 3 years from 1.4.2021. she will get a salary of 77,500 p.m. Overseas allowance 71,500 p.m., a rent-free accommodation in London of the fair rental value Rs. 2,500 p.m. a fiat car for use in UK at free of cost and actual air fare from Kolkata to London Rs. 7,60,000. She left Kolkata on 25th March, 2019 for London and was paid her air fare there in London. Throughout the year she remained in London. Compute Income from salaries for the AY 2022-23.
21. Mr A, an Australian cricket player, has been coming to India since 1995-96 every year to play cricket and has been staying here for about 4 months. What will be his residential status for the assessment year 2022-2023.

(6 × 5 = 30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. Explain any *ten* Exempted Incomes ?
23. Mr. A is drawing a monthly basic salary of Rs. 15,000. He is given the following allowances every month in addition to the basic salary: Dearness Allowance Rs. 2,000 ; Lunch Allowance Rs. 1,500 ; Helper Allowance Rs. 1,000 (wages paid to helper Rs. 1,200 p.m) ; Transport Allowance Rs. 1,200 ; Children Education Allowance Rs. 250 per child for 3 children ; Hostel Expenditure Allowance Rs. 350 per child for 3 children ; Conveyance Allowance Rs. 500 (Actual spent Rs. 450 p.m.) ; Overtime Allowance Rs. 800 ; Medical Allowance Rs. 1,200 ; City Compensatory Allowance Rs. 600 ; House Rent Allowance Rs. 5,000 (Rent paid by Mr. B is Rs. 7,000 p.m). Professional tax paid by Mr. B Rs. 2,000. Compute the Taxable Salary Income of Mr. B Solution.





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24. Given below is the Profit and Loss Account of a Timber Merchant for the year ended 31st March, 2022. Compute total income for the AY 2022-23 :

Profit and Loss Account (For the year ended 31st March, 2019).

<i>Particulars</i>	<i>Rs.</i>	<i>Particulars</i>	<i>Rs.</i>
Opening Stock ...	25,000	Sales ...	6,00,000
Purchases ...	2,50,000	Rent for Property ...	15,000
Wages ...	1,00,000	Closing Stock ...	35,000
Audit Fees ...	1,000		
Repairs (House Property) ...	2,000		
General Charges ...	1,500		
Commission for raising loan ...	1,000		
Bad debts Reserve ...	500		
Bad debts ...	2,000		
Interest on capital ...	10,500		
Contribution to Staff Welfare ...	2,500		
Fund			
Provision for Income Tax ...	1,500		
Depreciation (Allowable) ...	2,500		
Net Profit ...	2,50,000		
Total ...	<u>6,50,000</u>	Total	<u>6,50,000</u>

25. Write an essay on the determination of residential status ?

(2 × 15 = 30)

