



0188020

K19U 2306

Reg. No. :

Name :

V Semester B.Com. Degree (CBCSS-Reg./Sup./Imp.)

Examination, November - 2019

(2014 Admn. Onwards)

CORE COURSE

5B13 COM : INCOME TAX LAW & PRACTICE - II

Time : 3 Hours

Max. Marks : 40

PART - A**Answer all questions. Each carries ½ mark.****(4 × ½ = 2)**

1. The present Chairman of CBDT is _____
2. Surcharge @ 12% is charged when the total income of a company exceeds _____.
3. Advance payment of tax is applicable only when the tax payable is at least _____.
4. _____ means computation of total income and determination of tax payable.

PART - B**Answer any four questions. Each carries one mark.****(4 × 1 = 4)**

5. What is meant by Clubbing of income?
6. What is "POEM"?
7. Define a widely-held company.
8. Mention the income tax rates applicable to a Co-op. Society for the AY 2019-20.
9. What is re-assessment?
10. Who can be a partner of a firm?

**PART - C**

Answer any six questions (not exceeding one page). Each carries three marks. **(6 × 3 = 18)**

11. Mention any six powers of CBDT.
12. What are the provisions regarding set off of the following losses:
 - a) Long term capital loss.
 - b) Short term capital loss.
 - c) Speculation loss.
13. Explain the provisions regarding the treatment of a firm's brought forward losses.
14. Mr. Singh is disabled. He is employed in a bank in Pune. His particulars of income for the previous year 2018-19 are:

| | | |
|-----------------------------------|---|----------------------------|
| Salary income (computed) | : | Rs. 6,65,000 |
| Interest on Fixed Deposit | : | Rs. 20,000 |
| Donation to National Defence Fund | : | Rs. 9,500 (paid by cheque) |

Compute total income of Mr. Singh for the AY 2019-20
15. The taxable income of Mr. Ranganath is Rs: 9,17,000 from business and Rs: 65,000 from house property for the A Y 2019-20. His wife is also employed and is getting a salary of Rs,16,500 per month. Compute his tax liability for the A Y 2019-20.
16. The book profit of ABC Co. Ltd. in the previous year 2018-19 computed in accordance with sec. 115JB of the Income tax Act is Rs.12,00,000. Its total income under the Income tax Act for the same period is computed at Rs: 4,50,000. Is the company liable to pay MAT? If yes, how much has to be paid?
17. A co-operative society in a college had the following incomes during the year ended 31.03.2019:

| | | |
|---|---|--------|
| a) Income from merchandise business | : | 46,000 |
| b) Income from college canteen | : | 19,000 |
| c) Income from credit facilities given to members | : | 9,500 |
| d) Interest on Government securities | : | 12,000 |



- e) Dividend (Gross) on shares held in another Co-op. Society : 9,000
f) Taxable income from house property : 6,000

Determine the total income of the Society for the A Y 2019-20.

18. Mr. Khan is appointed at Kolkata. He stayed in a hotel for 25 days and thereafter shifted in a house provided by the employer. From the following information, determine the taxable value of stay in hotel:
- a) Room rent in hotel is Rs: 1,000 per day.
b) Salary for valuation of accommodation during the P Y Rs: 7,50,000.
c) The employer recovered Rs: 300 per day from Mr. Khan regarding stay in hotel.

PART - D

Answer any two questions. Each carries eight marks. (2×8=16)

19. Mr. Alexander, an employee of a firm, furnished the following particulars of his income for the year ended 31-3-2019.
- | | |
|---|--------------|
| a) Basic Salary | Rs. 1,44,000 |
| b) Dearness allowance | Rs. 28,800 |
| c) Own contribution to Recognised P F | Rs. 20,160 |
| d) Employer's contribution to the said P F | Rs. 20,160 |
| e) Bonus | Rs. 12,000 |
| f) Interest on balance in Recognised P F (not exceeding the prescribed limit) | Rs. 14,000 |
- g) He was provided with a small car for which the employer paid all the running and maintenance cost. The car was used for personal as well as office uses.
- h) He was also provided with rent-free accommodation at Kolkata for which the employer paid a rent of Rs: 1,250 per month. He was allowed the use of one refrigerator and an air-conditioner costing Rs: 8,000 and Rs: 12,000 respectively while their written down values on 1-4-2018 were Rs: 4,500 and 7,000 respectively.
- Compute the tax liability of Mr. Alexander for the AY 2019-20.



20. Mr. Rahim is a registered medical practitioner. He keeps his books on a cash basis, and his summarised cash account for the year ended 31st March 2019 is as under:

| | | | |
|---|------------------------|----------------------------|------------------------|
| Balance b/d | 1,22,000 | Cost of Medicines | 20,000 |
| Loan from bank for private purposes | 3,000 | Interest on loan from bank | 300 |
| Sale of Medicines | 35,250 | Surgical Equipments | 8,000 |
| Consultation Fees | 1,55,000 | Car Expenses | 6,000 |
| Visiting Fees | 24,000 | Salaries | 4,600 |
| Rent from the property (not subject to local taxes) | 3,600 | Rent of Dispensary | 1,600 |
| Interest on Govt. Securities | 4,500 | General Expenses | 300 |
| | | Personal Expenses | 1,11,800 |
| | | Life Insurance Premium | 3,000 |
| | | Motor Car | 1,20,000 |
| | | Insurance of Property | 200 |
| | | Balance c/d | 71,550 |
| | <u>3,47,350</u> | | <u>3,47,350</u> |

Compute his income from profession and house property for the A Y 2019-20 taking into account the following further information :

- One-third of motor car expenses are in respect of his personal use
- Depreciation allowable on the motor car and surgical equipments is @ 15%.

21. Explain briefly the different types of assessment.
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