

S.NO: 206

BATCH: 2003-13, 2015 & 16

END OF SEMESTER EXAMINATIONS, APRIL - MAY - 2019

INCOME TAX LAW AND PRACTICE

SUBJECT CODE: 15UAC017/15UEPA01

MAJOR: B.Com. / **B.com [PA]**,
TIME : 3 HOURSSEMESTER : V
MAX. MARKS : 75**SECTION - A (10 x 1 = 10)****Answer ALL the questions:**

1. What is Assessment year?
2. Who is an Assessee?
3. Define Salaries.
4. What do you mean by Perquisites?
5. What is Standard Rent?
6. Define Term Business.
7. What do you mean by short term Capital Gain?
8. What is casual Income?
9. What is meant by deduction under section 80C.
10. What is the rate of tax applicable for super senior citizen?

SECTION - B (5 X 4 = 20)**Answer any FIVE questions:**

11. Explain the conditions for Assessing the Residential Status of an Individual.
12. Mr. X resides in Chennai, gets Rs.3,00,000 p.a. as basic salary, DA forming part of salary for services benefit Rs.40,000 and 2% commission on turnover achieved by him. Turnover Rs.3,00,000. HRA Rs.60,000, rent paid Rs.80,000 p.a. Calculate taxable and exempted HRA.
13. What is provident fund? Explain various types of PF.
14. Mr. Radhakrishn owns a property at Chennai.
Municipal value Rs.1,60,000
Fair rent Rs.1,80,000
Standard Rent Rs.1,50,000
The house is let out up to September 30, 2017(monthly rent being Rs.15,000). From October 1, 2017 the property is self occupied for own residential purposes. Find out the Gross annual value for the assessment year 2018-2019.
15. From the following P&L a/c of a businessman, find out his business income:

	Rs.		Rs.
Salary	25,000	Gross profit	2,50,000
Office expenses	40,000	House rent	1,50,000
Depreciation	10,000	Capital gains	2,00,000
Donation	8,000		
Net profit	5,17,000		
	6,00,000		6,00,000

16. Mrs. Sridevi furnishes the following particulars:
 Date of purchases 01.02.2017
 Date of sale 05.10.2017
 Cost of purchase Rs.25,000
 Expenses on purchase Rs.500
 Sales value Rs.50,000
 Expenses on sales Rs.1,000
 Compute capital gain.
17. Explain the various kinds of securities.

18. Compute the net income of Mr. Murali for the A.Y. 2018-2019

	Rs.
Basic salary	2,00,000
Business income (-)	32,000
Long term capital gain	50,000
Short term capital gain	16,000
Winning from horse races	35,000
Education allowances	2,340

SECTION - C (3 X 15 = 45)

Answer any THREE questions:

19. Explain the scope of income tax.
 20. Mr. Hashwanth is employed in Chennai. His particulars of income for the assessment year 2018-2019. <http://www.onlinebu.com>

Basic pay Rs.8,000 p.m.
 DA Rs.2,000 p.m. 40% is computed for retirement benefits.
 Bonus Rs.8,000 p.a.
 Commission Rs.4,500 p.a.
 Entertainment allowances received Rs.500 p.m.
 FRV of the free house provided by the employer Rs.40,000 p.a.
 Value of furniture provided Rs. 20,000.
 Find out income from salary.

21. Ms. liya let out a house. Compute his house property income.

	Rs.
MRV	40,000
FRV	36,000
Standard rent	38,000
Actual rent	4,000 p.m.
Municipal taxes 10% of MRV+2% of municipal tax:	
Actual repair expenses	4,000
Ground rent	2,000
Interest on loan	12,000
Vacancy period 3 months.	

22. Ms. Nega deepthi is P&L a/c given below:

	Rs.		Rs.
To rent	1,400	By Gross Profit	1,19,400
To household expenses	1,850	By dividend	3,556
To trade expenses	2,650	By int. on govt.bond	3,184
To income tax	700		
To discount	200		
To advertisement	550		
To fire insurance	250		
To Gift	125		
To Donation	800		
To Repairs	1,600		
To wealth tax	600		
To LIC Premium	850		
To interest on capital	400		
To Audit fees	250		
To postage	915		
To Net Profit	1,13,000		
	1,26,140		1,26,140

Compute his income from Business.

23. Explain various deductions available to individuals u/s 80.
