

S. No.: 364

BATCH: 2003-2013, 2015, 2016

Reg. No.:

END OF SEMESTER EXAMINATIONS, APRIL / MAY - 2019

SKILL BASED PAPER: TAX LAWS AND PRACTICE

SUBJECT CODE: 15UECO01/15 UAPA23

MAJOR : B.COM / B.com. PA

SEMESTER : VI

TIME : 3 HOURS

MAX. MARKS: 75

**SECTION - A ( 10 X 1 = 10 )**

**Answer ALL the questions:**

1. What is mean by carry forward of losses?
2. What is advance payment of tax?
3. Define book profit.
4. Define working partner.
5. Define widely held company.
6. What is domestic company?
7. Define seizure.
8. Define Assessing officer.
9. What is GST?
10. Define composite supply.

**SECTION - B ( 5 X 4 = 20 )**

**Answer any FIVE questions:**

11. From the following particulars, Compute the Total Income of Mr.Ram.

	Rs.
i) Mr. Ram's income from business	5,50,000
ii) Income from House Property (computed)	2,00,000
iii) Interest received from Bank deposits	10,000
iv) Dividend received from Indian company	10,000

12. X, Y and Z are partners of a firm with equal shares. The profit and loss account for the year ended 31.3.2018 shows a net profit of Rs.2,80,000 after debiting Rs.7,000 for interest paid to X at 20%; Rs.60,000 for salary paid to Y and Rs.44,000 for rent of the business premises paid to Z. Compute the book profit of the firm. The firm fulfils the conditions of section 184.

13. Kvality Electronics Ltd. Is a domestic company in which public are substantially interested. The following are the particulars of income in respect of the previous year 2017-18:

	Rs.
i. Interest on Govt. securities	20,000
ii. Income from business	5,00,000
iii. Short term capital gain	15,000
iv. Long term capital gain	33,000
v. Dividend from an Indian company	10,000
vi. Dividend from Foreign company	10,000
vii. Book profits u/s 115-JB	9,00,000

Compute Company's Total Income.

14. State the jurisdiction of Income Tax Officers.

15. List out the benefits of GST.

16. Ascertain amount of tax deducted at source from the following incomes/receipts during the financial year 2018-19:

- i. Lottery winnings of Rs.1,00,000 (gross) payable to Mr.X, resident in India
- ii. Winnings from horse race Rs.50,000 payable to Mr.Y, non resident in India.
- iii. Interest on securities (listed) payable to Mr.Z, a resident in India Rs.20,000
- iv. Dividend payable by a domestic company to B, a resident in India Rs.40,000
- v. Interest on unlisted debentures of Y Ltd. Payable to T, a resident in India Rs.10,000.

17. Write a short note on Assessing officer / Income Tax officer.

18. From the following information compute the amount of tax payable by a partnership firm for the assessment year 2018-19;

	Rs.
Income from house property (computed)	2,00,000
Income from business	40,00,000
LTCC on sale of an asset	1,00,000
Income from other sources	50,000
Deductions:	
i) Under sec. 80IA	20,00,000
ii) Under sec. 80IB	3,50,000

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**SECTION - C (JX 15 - 45)**

**Answer any THREE questions:**

19. Mr. Ram Patel submits the following information's of his incomes and losses for the year ending 31.3.2018.

	Rs.
1) Salary income (computed)	24,000
2) Income from house property	
House A (income)	10,000
House B (loss)	40,000
House C (self-occupied) loss	28,000
3) Income from business	
Cloth business (loss)	10,000
Hardware business (loss)	12,000
Speculation (profit)	12,000
Speculation (loss)	17,000
4) Capital gains	
Short-term (gain)	8,000
Short-term (loss)	24,000
Long-term (gain)	8,000
5) Other sources	
Income from betting	12,000
Loss from card games	6,000
Income from card games	9,000
Interest on securities (gross)	8,000

Compute his Gross Total Income.

20. Following is the profit and loss account of m/s Himachal traders, a partnership firm (covered u/s 184) for the year ending 31.3.2018.

	Rs.		Rs.
Salary to staff	2,60,000	Gross profit	14,20,000
Bad debts	20,000	Rent from house property	60,000
Bad debts provision	5,000	Interest on securities	5,000
Transport expenses	50,000	LTCG on plot	1,00,000
Donation to National blood Transfusion Council	20,000		
General office expenses	3,00,000		
Partner's salaries:			
Sham	1,80,000		
Vaishali	1,44,000		
Interest on capital			
Sham (14% p.a)	28,000		
Vaishali	32,000		
Net profit			
Sham	2,73,000		
Vaishali	2,73,000		
	15,85,000		15,85,000

- i) Salaries and interest to partners have been paid as per deed.  
 ii) General office expenses Rs.30,000 paid to a tax consultant in cash.

Calculate: Total Income and Tax Liability of Firm.

21. Following is the Profit and Loss A/c of Sonia Co. Ltd for the year ended 31.3.18. Compute the taxable income of the company for assessment year 2018-19.

Profit and Loss A/c			Rs.
	Rs.		Rs.
To Purchases	2,25,000	By Sales	14,00,000
To General charges	40,000	By Agriculture income	55,000
To Commission and brokerage	1,80,000	By Transfer from investment reserve	2,00,000
To Income tax	1,15,000	By L.T.C.G	2,50,000
To Legal expenses	65,000		
To Fines and Penalties	25,000		
To Depreciation	2,60,000		
To Provision for contingent liability	70,000		
To proposed dividend	1,50,000		
To Loss of subsidiary company	2,00,000		
To Net Profit	5,75,000		
	19,05,000		19,05,000

Additional information:

- 1) General charges include donation to Prime Minister's relief of Rs 22,000.  
 2) Depreciation as per income tax act Rs 3,00,000.  
 3) Brought forward business losses and depreciation

	As per A/c's	As per I.T. Act
B/F business losses	3,00,000	4,00,000
Unabsorbed depreciation	50,000	1,50,000

- 4) Investment reserve was created during previous year 2000-01 as a result of profit on revolution of investment directly credited.  
 5) The LTCG has been invested in NHAI bonds as per sec 54EC.  
 Calculate the Tax Liability as per normal provisions of I.T. Act and as per MAT.  
 22. Explain the powers of Income Tax Officers.  
 23. Explain the features of GST.

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