



QP CODE: 24006868



24006868

Reg No :

Name :

**B.COM DEGREE (CBCS) SPECIAL REAPPEARANCE EXAMINATIONS, MARCH
2024**

Fifth Semester

Optional Core - CO5OCT01 - INCOME TAX - I

Common for B.Com Model I Finance & Taxation, B.Com Model II Finance & Taxation & B.Com
Model III Taxation

2021 Admission Only

89B29E2A

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: 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

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define the term "assesse" as per the Income Tax Act.
2. What is accelerated assessment?
3. What is meant by Finance Bill?
4. Explain the term 'income deemed to be received'.
5. What are the deductions from Gross Salary, u/s 16?
6. Define 'annul value'.
7. What is Composite rent?
8. Explain the concept of deemed profit u/s 41.
9. Define the term 'Business 'under the IT Act.
10. Who is an 'Assesse in Default '?
11. Who is an ordinarily resident for tax?
12. Define Capital Expenditure.

(10×2=20)





Part B

Answer any six questions.

Each question carries 5 marks.

13. Give a brief history of Indian Income Tax.
14. State clearly the difference between assessment of:
a) an ordinarily resident and b) a not ordinarily resident
15. State any ten items which are exempt from charge of income tax.
16. How is taxable income from house property determined? Explain
17. What deductions are allowed to a businessman in computing profit?
18. Mr. Z came to India first time during the previous year 2021-22. During the previous year he stayed in India for i) 50 days ii) 183 days iii) 153 days. Determine his residential status for the Assessment Year 2022-23.
19. Determine the Annual Value of house of Mr. R for the Assessment Year 2022-23.
Municipal value Rs. 1,50,000
Fair rent Rs. 1,70,000
Actual rent per month Rs. 15,000
Municipal tax paid by landlord 10% of M.V.
Unrealized rent Rs. 85,000
20. Mr. Y retired from Govt. service on 31-10-2022. At that time of retirement his total salary was Rs.18000 per month. He received Rs.3,75,000 as gratuity and his pension was Rs.2400 per month with effect from 1-1-2023, he commuted half of the pension and received Rs. 2,40,000. He had 32 years and 11 months of service. Compute the amount taxable, if any, for the year 2022-23.
21. Mr. Sarin is an employee in Chennai. He resides in a rental house for which he pays monthly rent of Rs. 4000. He receives house rent allowance from the employer at the rate of Rs.5500 per month. Along with HRA, his monthly salary consists of the following.
i) Basic pay Rs.12000, ii) Dearness allowance Rs.4000, iii) Bonus Rs.1000.
Compute taxable portion of HRA, if any for the year 2022-23.

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. List the expenses which are allowed in computing taxable profits of a business.





23. Mr. Gopan owns a big house, 50% of the floor area is let-out for residential purpose on a monthly rent of Rs.22500. 25% of the floor area is used by the owner for the purpose of his profession, which remaining 25% of the floor are utilized for the purpose of his residence. Other particulars of the house are as follows.
- i) Municipal valuation Rs.6,00,000
 - ii) Standard rent Rs.9,00,000
 - iii) Municipal tax paid Rs. 80,000
 - iv) Repairs Rs. 30,000
 - v) Interest on capital borrowed for repairs Rs. 3,00,000
 - vi) Ground rent Rs. 8,000
 - vii) Annual charges Rs. 10,000
 - vii) Fire insurance premium Rs. 12,000
- Compute the taxable income from HP for the Assessment Year 2022-23.
24. Alex is employed in Kolkata in a public Ltd. Company on annual package salary of Rs. 10,00,000. The company gives the salary as follows.
- Basic pay Rs. 7,00,000
 - Travelling allowance Rs. 20,000
 - Medical allowance Rs. 20,000
 - Special allowance Rs. 12,000
 - House rent allowance Rs. 1,20,000
 - Employee's contribution to RPF Rs. 60,000
 - Employer's contribution to RPF Rs.60,0000
 - Deposit to approved gratuity fund Rs. 8000
 - Total Rs. 10,00,000
- Mr. Alex lives in a rented house paying monthly rent Rs. 15000. During the year 2022-23 he paid tax on employment from salary for the assessment year 2023-24.
25. Mr. James gives you the following particulars from his accounts for the year ended on 31-3-2023.
- a) Net profit Rs. 2,00,000
 - b) Contribution to unrecognized provident fund Rs. 40,000
 - c) Provision for income tax Rs. 10,000
 - d) Advertisement expenses, including advertisement for Rs. 40,000
In a souvenir published by a political party Rs. 20,000
 - e) Provision for excise duty Rs. 30,000
 - f) Holiday expenses Rs. 35,000
 - g) Insurance premium for the health of employees paid by cheque Rs. 10,000
 - h) Penalty imposed by customs authorities for the breach of law Rs. 65,000
- Compute income from business.

(2×15=30)

