



**SAINTGITS COLLEGE OF APPLIED SCIENCES
KOTTAYAM, KERALA**

SAINTGITS
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First Internal Examination, September 2023

Department of Commerce, Semester 5

Income tax 1

Total: 40 marks

Time: 1.5 hours

Section A

Answer any 5 questions. Each question carries 2 marks.

1. Explain Previous Year and Assessment Year?
2. What is the Residential Status of a Firm?
3. Who is Assessee in Default?
4. What is mean by Perquisites?
5. Define the term Accelerated Assessment.
6. How is Retrenchment Compensation taxed? **(5 x 2 =10 Marks)**

Section B

Answer any 3 questions. Each question carries 5 marks.

7. Mr. Ram came to India for the first time on 1st November 2021. During his stay in India upto 30th October 2022, he stayed at Mumbai upto 10th May 2022 and thereafter remained in Bangalore till his departure from India. Determine the Residential Status for the PY 2022-23?
8. From the following information compute the exempted amount of House Rent Allowance of Mr. Sam who resides at Kanpur.

Salary per month Rs. 18,000

HRA received per month Rs. 2100

Rent paid per month Rs. 1500

9. Explain the computation of Gross Total Income u/s 80 B (5)
10. How will you compute Gratuity u/s 10(10)? **(3 x 5 = 15 Marks)**

Section C

Answer any 1 question. The question carries 15 marks

11. Mrs. X a salaried employee in A Co. Ltd. And an Indian Citizen, gets a salary of Rs. 50,000 per month. She is given a small car which she uses for her official work as well as for her personal matters. The company maintains the car fully including the driver's salary. The Provident Fund is also maintained by her employer which is recognised and for the year ended

on 31st March, 2023, the employer's contribution and the employee's contribution amounted to Rs. 80,000 each and interest is credited @ 9.5% p.a. to Mrs. X P.F account.

In terms of service Mrs. X is required to entertain the clients of A Co. Ltd. and she gets an allowance of Rs. 5000 per month for this purpose.

The company provides her with a rent free unfurnished accommodation in Mumbai and pays a rent of Rs. 15,000 per month to the owner of such accommodation. She was provided with a gardener, for the upkeep of the garden, to whom employer paid Rs.500 pm.

Compute her Taxable Salary for A.Y 2023-2024

12. Sriram a Foreign National, furnishes the following particulars of his income relevant for the assessment year 2023-24.

- a) Income from property in New York received there Rs.120,000
- b) Income from business in Kolkata managed from Singapore Rs. 240,000
- c) Profit on sale of Machinery in California (one-half received in Kolkata) Rs. 90,000
- d) Dividend (Gross) received in Thailand from a Company registered in India but mainly operating in Thailand Rs. 15,000
- e) Income from a House Property in Singapore deposited by the tenant there in a foreign branch of SBI Rs. 36,000
- f) Gift in Foreign currency from a relative Rs. 350,000 (one-half received in India and the balance used in New York)
- g) Income from agriculture in Myanmar Rs. 45,000 received there. One – third used while visiting there and two – third remitted later to Kolkata.
- h) Income from profession (as a Management Consultant) in Philippines received there. The profession setup in India Rs. 270,000.

Compute his Gross Total Income, If Sriram is:

- a) Ordinarily Resident
- b) Not ordinarily Resident
- c) Non-Resident

(1 X 15 = 15 Marks)



[Scan QR code for Answer Key]