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B.M.S COLLEGE FOR WOMEN
BENGALURU – 560004

V SEMESTER END EXAMINATION – JAN/FEB- 2024

B.Voc. R.M. - INCOME TAX - I
(NEP Scheme 2021-22 Onwards)

Course Code: BVRM5DSC14
Duration: 2 ½ Hours

QP Code: 5043
Max. Marks: 60

Instructions: Answer all the sections.

SECTION-A

I. Answer any Five of the following questions. Each question carries Two Marks. (5x2=10)

- List out five different Heads of Income
- Who is Specified Employee?
- State whether the following incomes are Agricultural or Non-agricultural incomes:
 - Income from dairy farm, poultry farming etc.
 - Income from agricultural land situated in Mysore.
 - Income derived from sale of seeds
- List out the different kinds of provident fund
- Write two basic conditions mentioned u/s 6(1) for determining residential status
- Give the meaning of salary
- What do you mean by unrealized rent?

SECTION-B

II. Answer any Four of the following question. Each question carries Five Marks. (4x5=20)

- Classify and explain cannons of taxation as suggested by Adam smith.
- Mrs. Suresh (resident) working in a company and getting a basic pay of ₹8,000p.m. DA at 20% of basic pay, commission at 5% basic pay, HRA at 12% of basic pay and bonus equal to two months of basic pay. She is residing in a rental house at ₹1,800 p.m. determine her exempted amount of HRA for the AY 2022-2023.
- Mr. Eshwar an Indian citizen leaves India for the first time in the last 20 years on November 20th 2019. During the calendar year 2020 he comes to India on 1st September and stays for a period of 30 days. During the calendar year 2021, he does not visit India at all but comes to India on January 16th, 2022 and stays for 70 days. Determine his residential status for the assessment year 2022-2023, if his taxable income other than foreign income for the P.Y. is ₹20, 00,000 and he is not liable to pay tax in any other country.
- Elaborate on salient features of salary
- Calculate the gross annual value of Mr. Naveen (resident) from the particulars given below:

Municipal Rental Value	₹ 90,000
Fair Rental Value	₹ 88,000
Standard Rent	₹ 70,000
Annual Rent	₹ 96,000

During the Previous Year 2021-2022 the assessee could not realise rent for three months.

SECTION-C

III. Answer any Two of the following question. Each question carries Twelve Marks.

(2x12=24)

7. Miss. Divya is a central government employee who is posted to Bangalore gives you the following particulars

- Basic salary ₹30,000 p.m.
- Dearness Allowance 30% of salary
- Entertainment Allowance ₹1,000p.m
- School fees of his son ₹800 p.m. is directly paid by the government to the school. The government has made arrangements with the school to admit their employee's children.
- Free meals in office(cost ₹60 for 290 days=₹17,400) and free holiday home facility at Simla (cost ₹8,000)
- An accommodation is provided by the employer in a blue star hotel from 18-3-2022 to 31-3-2022 on account (tariff being ₹2,000 per day is paid by employer)
- Employer gifts a music system to miss Divya on completing 10 years of service (cost of music system ₹22,470)
- He has purchased a second-hand small car of the employer for ₹1, 50,000. Its market value ₹1, 60,000. But WDV was ₹1, 80,000. The car is used for personal cum official purpose. The company meets maintenance expenses of car amounting ₹45,000p.a and also provides a driver at ₹1,200p.m.
- The employer sells an air conditioning system for ₹2,000. It was purchased by the company on 10-04-2019 for ₹50,000.
- On 01-03-2022 he received an advance of 3 months' salary.

Compute his income from salary for the A.Y 2022-2023.

8. Mr. Ramesh is the owner of the following houses in Bangalore and the particulars of which are relating to previous year 2021-2022

PARTICULARS	HOUSE A ₹	HOUSE B ₹	HOUSE C ₹
Municipal value	1,20,000	1,32,000	1,44,000
Fair rental value	1,50,000	1,60,000	1,75,000
Standard rent	1,44,000	1,50,000	1,60,000
Nature of use	Let out for residence	Let out for business	Self-occupied for residence
Rent received p.m.	15,000	18,000	-
Municipal taxes paid by owner			
a) For the year 2020-21	6,000	6,600	-
b) For the year 2021-22	12,000	13,200	14,400
Cost of repairs	18,000	12,000	-
Interest on loan for construction	45,000	60,000	2,25,000
Unrealized rent for the year 2021-22	12,000	18,000	-
Vacancy period(month)	2	2	-
Years of completion	2018	2017	2015

Compute taxable income from house property for the A.Y. 2022-2023.

9. Following are the particulars of Mr. Manjunath compute his gross total income for the A.Y 2022-2023.

- a. Resident
 - b. Not-Ordinary Resident
 - c. Non-Resident
- I. Income from business in Chennai, business managed from Srilanka ₹25,000.
 - II. Income from house property in Mysore ₹1,00,000
 - III. Income from salary in japan ₹1,60,000
 - IV. Income from business in Kuwait, business being controlled from Mumbai (₹25,000 is received in India) ₹65000
 - V. Income from agriculture in Punjab, received in Mumbai ₹30,000
 - VI. Income from agriculture in Bangladesh remitted to India ₹10,000
 - VII. Profit from sale of building in India ₹2,50,000
 - VIII. Profit from business in Indonesia, this business is controlled from Delhi ₹40,000
 - IX. Income from Indian partnership firm ₹5,000
 - X. Interest on savings bank deposits in State Bank of India ₹1,000
 - XI. Dividend from foreign company received in England ₹10,000
 - XII. Interest on German development bonds (1/3 received in India) ₹51000.

SECTION-D

IV. Answer any One of the following questions carries Six Marks.

(1x6=6)

10. List out at least 10 Incomes exempted from tax u/s 10
11. Demonstrate the legal framework of taxation in India
