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B.M.S COLLEGE FOR WOMEN
BENGALURU – 560004

V SEMESTER END EXAMINATION – JAN/FEB- 2024

B.Com. - INCOME TAX LAW AND PRACTICE - I
(NEP Scheme 2021-22 Onwards)

Course Code:COM5DSC14

Duration: 2 ½ Hours

QP Code: 5037

Max. Marks: 60

Instructions: 1. Answer all the sections.

SECTION-A

I. Answer any FIVE of the following. Each question carries TWO marks. (5X2=10)

- Define Person.
- Mention any four cannons of taxation.
- Expand CBDT and PAN.
- What is Gross Total Income?
- Mention any two exempted income.
- What is Unrealized Rent?
- State the meaning of Annual Value.

SECTION-B

Answer any FOUR of the following. Each question carries FIVE marks. (4X5=20)

- Explain the types of Assessment.
- State whether the following are agricultural or non-agricultural income.
 - Sale of plants from nursery.
 - Income from poultry farming.
 - Income from agricultural land situated in Mysore.
 - Income from self-grown grass and trees.
 - Remuneration received as manager of an agricultural farm house.
- Mr. George, an American came to India for the first time on 1st January 2019. He stayed here continuously for 2 years and went back to New York on 1-1-2022. Again he came to India on 1-2-

2023 on a two years job assignment with a multinational company in India. Determine his residential status for the Assessment Year 2023-24.

5. Sri. Narayan Gosh (resident), an employee on SRS Ltd, received Rs. 45,000 as Gratuity under Payment of Gratuity Act. He retires on 10-11-2022 after rendering service of 30 years and 4 months. At the time of retirement, his monthly salary was Rs. 2,340 p.m and entertainment allowance Rs. 1,300 p.m. Calculate the amount of Gratuity taxable for the Assessment Year 2023-24.

6. Ms. Ananya resides in Chennai, during the P.Y 2022-23.

She gets Rs. 20,000 p.m as Basic Salary.

Dearness Allowance 30% of Basic (60% enters into all retirement benefits)

Annual Bonus Rs. 15,000.

House Rent Allowance Rs. 3,500 p.m and rent paid by Ananya is Rs. 72,000 p.a.

Calculate taxable House Rent Allowance for the Assessment Year 2023-24.

SECTION-C

Answer any TWO of the following. Each question carries TWELVE marks. (2X12=24)

7. Mr. Avinash furnishes the following information of income for the Assessment Year 2023-24. Find out his total income if his residential status is:

- a. Ordinarily Resident
- b. Not-Ordinarily Resident
- c. Non-Resident
 - i. Income from business from Mumbai Rs. 50,000.
 - ii. Profit from business in USA controlled from India Rs. 25,000.
 - iii. Income from house property in Japan received there Rs. 25,000.
 - iv. Income from business in India, but received in London Rs. 15,000.
 - v. Salary received in India for services rendered in USA Rs. 35,000.
 - vi. Profits from business in Malaysia controlled from India ($\frac{1}{3}$ rd received in India) Rs. 15,000.
 - vii. Past untaxed income brought into India Rs. 4,000.
 - viii. Dividend received from a domestic company Rs. 2,500.
 - ix. Agricultural income earned in Nepal Rs. 12,500.
 - x. Interest earned on Post Office Savings Bank Account Rs. 1,500.
 - xi. Interest received on Private Company Securities Rs. 10,000.
 - xii. Gift in cash from Father Rs. 15,000.

8. Ms. Pushpa is an officer in a Multinational Company having its head office at Hong Kong. She looks after the Bangalore Branch of the company. She gives you the following particulars:

- a. Basic Pay Rs. 12,500 p.m.

- b. DA 30% of basic (entering into retirement benefits).
- c. Children Hostel Allowance of Rs. 500 p.m per child for two children.
- d. City Compensatory Allowance Rs. 500 p.m.
- e. Conveyance Allowance of Rs. 8,000 p.a (80% is spent for visiting branches)
- f. Profession tax paid by her Rs. 250 p.m.
- g. Services of Maid, Watchman and Cook were provided by the employer each of whom were paid Rs. 750, Rs. 950 & Rs. 1,050 p.m as salary.
- h. She is provided with fully furnished accommodation. The house is owned by the company. Value of furniture provided Rs. 98,000.
- i. The company provides her a car (1800cc) A driver is also provided and all expenses are met by the employer. Car is used for official and personal purpose.
- j. She and the company contributes 14% of the salary to RPF. The interest credited to RPF during the year is Rs. 6,875 at 12.5 % per annum.
- k. Free refreshments during office hours Rs. 4,000.

Compute her income from salary for the Assessment Year 2023-24.

9. Mr. Prakash is the owner of the following houses in Bangalore and the particulars of which are relating to the previous year 2022-23.

Particulars	House A (In Rs.)	House B (In Rs.)	House C (In Rs.)
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 tax paid by owner	18,000	19,800	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 2022-23	12,000	18,000	-
Vacancy Period (In months)	2	2	-
Year of completion of construction	2019	2018	2016

Compute taxable income from house property for the Assessment Year 2023-24.

SECTION-D

Answer any ONE of the following, which carries SIX marks.

(1X6=6)

10. Prepare slab rates chart for different individual assesses.

11. Prepare the chart of computation of income under house property.

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