

28/2/24
DCBC502

Reg. No.

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V Semester B.Com. (Regular)/LSCM/A&F/T&T/BDA/I&AS)

Degree Examination, February/March - 2024

COMMERCE

Income Tax Law and Practice - 1

(CBCS NEP Scheme)

Paper : 5.2

Time : 2½ Hours

Maximum Marks : 60

Instructions to Candidates:

Answers should be written in English only.

SECTION - A**Answer any FIVE of the following sub-questions. Each right answer carries 2 marks.**
(5×2=10)

1. a) Who is a Person?
b) Define Agricultural Income.
c) Expand 'PAN' and 'CIT'.
d) Who is a Non-Resident?
e) Define Perquisite.
f) Who is a Specified Employee?
g) Define Annual Value.

SECTION - B**Answer any FOUR of the following questions. Each right answer carries 5 marks.**
(4×5=20)

2. State whether the following are agricultural or non agricultural income.
 - a) Income from agricultural land situated in Australia.
 - b) Income derived from sale of seeds.
 - c) Income from sale of forest trees of spontaneous growth.
 - d) Lease rent received from land given to tenants for agricultural operations.
 - e) Income derived from land used as stone quarries.
3. State any five powers/functions of Central Board of Direct Taxes.
4. Mr.Sanchari went to South Africa for studies on 5th August 2022 and came back to India on 25thFebruary 2023. He had never been out of India before. What is his Residential Status for the Assessment Year 2023-24?

[P.T.O.]



5. Mr. Amar a non-government retired employee is getting a pension of Rs.18,000 per month from a company. During the previous year 2022-23 he got his $\frac{3}{4}$ th of pension commuted and received Rs.1,80,000. Compute the exempted and taxable amount of commuted pension for the Assessment Year 2023-24 if:
- He receives gratuity.
 - He does not receive any gratuity.
6. Compute Net annual value from the following information.
- Municipal Rent Value Rs.50,000
 - Fair Rental Value Rs.45,000.
 - Standard Rent Rs.55,000.
 - Actual Rent Rs.5,000 per month.
 - Unrealised Rent Rs.5,000.
 - Municipal Taxes paid Rs.5,000.

SECTION - C

Answer any TWO of the following questions. Each right answer carries 12 marks.

(2×12=24)

7. Following are the incomes of Ms. Sukumari for the previous year 2022-23.
- Income received in India Rs.10,000 which accrued in England.
 - Income earned in India but received in England Rs.5,000.
 - Income earned and received in Africa but brought in to India Rs.10,000
 - Income earned and received in Japan from a business controlled from India Rs.20,000
 - Untaxed foreign income of some earlier years, which was brought to India in the previous year Rs.16,000.
 - Interest on Fixed Deposit in State Bank of Mysore, Rs.12,000.
 - Income from agriculture in Africa Rs.10,000.($\frac{1}{2}$ received in India)
 - Dividends received in U.K from an American Company Rs.10,000.
 - Income from house property in Mumbai Rs.50,000
 - Pension income from Belgium for services rendered in India with a limited company Rs.20,000.
 - Gift from relatives Rs.80,000.

Compute her Gross Total Income for the Assessment Year 2023-24, if Miss.Sukumari is

- Resident and Ordinarily Resident.
- Resident but not Ordinarily Resident.
- Non-Resident.



8. Mr. Ganapa the manager of Maruthi Suzuki Ltd., Mumbai, has furnished the following details of his income for the year ended 31st March 2023.
- Basic salary of Rs.25,000 per month.
 - Bonus-2 months basic salary.
 - Commission is 3% on sales - During the year he reached a sales of Rs.5,00,000.
 - Dearness allowance forming part of salary Rs.5,000 per month(Considered to retirement benefits).
 - Medical allowance Rs.1,000 per month.
 - Entertainment allowance Rs.2,000 per month.
 - Children's hostel allowance for his two children at Rs.500 per month per child.
 - Employer's contribution to RPF Rs.6,000 per month.
 - His own contribution is Rs.5,000 per month.
 - Interest credited to R.P.F. at 11% per annum Rs.44,000.
 - He has been provided with rent free unfurnished accommodation at Mumbai.

Compute his taxable salary for the Assessment year 2023-24. (Ignore Alternative Tax Regime)

9. Ms.Sundari owns three houses in Mysore. From the following particulars compute her taxable income from house property for the assessment year 2023-24. (Ignore Alternative Tax Regime)

| Particulars | House - I | House - II | House - III |
|--|-----------|------------|-------------|
| | Rs. | Rs. | Rs. |
| Municipal Rental value | 1,20,000 | 1,00,000 | 65,000 |
| Fair Rental Value | 1,30,000 | 90,000 | 60,000 |
| Actual Rent | 1,44,000 | 1,20,000 | - |
| Unrealized Rent | -- | 10,000 | - |
| Municipal tax paid on Municipal value | 10% | 10% | 10% |
| Repairs | 1,000 | 8,000 | 6,000 |
| Interest on loan taken for Construction | 20,000 | 10,000 | 8,000 |
| How used | Let out | Let out | SOP |

SECTION - D

Answer any ONE of the following questions which carries 6 marks . (1×6=6)

- List out any Six Exempted Incomes of an Individual under Section 10 of Income Tax Act 1961.
- Prepare a chart on Slab Rate of Tax of an Individual who is below 60 years of age (Old Regime)