

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : MAY-2023**

**COURSE NAME: M.Com.-CA
SEMESTER: II**

**MAXIMUM MARKS: 100
TIME : 2 HOURS**

**PART – IV
BASICS OF INCOME TAX**

SECTION - A (5 X 5 = 25 MARKS)

ANSWER ANY FIVE OF THE FOLLOWING QUESTIONS.

1. Define Tax. Explain about Agriculture Income for tax purpose (K1)
2. What is Assessment Year& Previous Year? (K1)
3. What is Gross Total Income & Total Income? (K1)
4. Following are the incomes of Sri Amarnath for the financial year 2021-22:

	Rs.
(a) Interest on saving bank deposit in Allahabad Bank, Delhi	1,200
(b) Income from agriculture in Africa invested in Nepal	10,000
(c) Dividend received in U.K. from an American Company , a part of which Rs.2000 remitted to India.	10,000
(d) Pension received in Belgium for services rendered in India with a limited Company.	20,000

You required to compute his gross total income for the assessment year 2022-23, if he is
 i) Resident ii) Not ordinary resident and iii) Non-resident. (K2)

5. Mr.Patil was appointed as a manager on 1st July 2017 in the grade of 20,000-500-22,000- 1,000- 25,000 with two advance increments. Find out his salary for the previous year 2021-22 if a) Salary is due on first day of the month and b). Salary is due on last day of the month (K2)
6. Explain in detail about 'Assessee' (K1)
7. Mr.A an engineer, left India for London on 15th march 2021 for taking practical training in an engineering firm there. He returned to India on 28th march 2022. He was never out of India in the past. State giving reasons what will be the residential status of Mr. A for the previous year 2021 – 22. (K2)
8. Determine the residential status of an Individual. (K2)

SECTION – B (5 X 15 = 75 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

11.a) Determine the residential status of the following persons:

- ❖ Bharathiar University.
- ❖ Mr.Narendra Modi,, Prime Minister of India

(CONTD.....2)

- ❖ Calcutta Municipal Corporation.
- ❖ A partnership firm with A, B and C partners.
- ❖ Kalyani Publishers
- ❖ A Village Panchayat
- ❖ Reserve Bank of India
- ❖ A Brahmin Parivar consisting of Mr. A, his brother B, Mrs. A, & B (K3)

(OB)

11. b) Mr .KV Rao a senior scientist goes to Nigeria on a job approved by central Govt. for a period of 3 years on 15th Sept. 2021, he has never been out of India before. Determine the residential status for the previous year 2021-22. (K3)

12. a) Find out the Previous Year in the following cases for the Assessment Year 2022-23

- i) For a Business commencing on 1-1-2022, book of accounts of which are maintained on calendar year basis
- ii) An employee joins his job on 10th September 2021
- iii) A new business is setup on 1st May 2021
- iv) A new business maintainin its accounts on Diwali to Diwali basis (Set up on Diwali 2021)
- v) A person wins a lottery prize during 2021-22
- vi) Salary income for job joined on 1-7-2021
- vii) New house completed on and let out from 1-10-2021
- viii) Income from examinership fee from university in April 2021

(OR)

b) i) Mr. Sen comes to India on 10th May 2019 after staying for 10 years in USA. He stays in India upto 4th January 2022 and leaves India on 5th January 2022 for USA. During his stay in India, he did not stay for more than 15 days at any particular place as he was exploring the possibilities of new business, determine his residential status for the previous year 2021-22

ii) What difference will it make if he comes to India after 4 years stay in USA and prior to that he was in India

13. a) Mr.Sen was appointed as reader in Calcutta university in the scale of 12000-420-18300 on 1.9.2013 at RS.12, 000 p.m. compute his salary income for the previous year 2021-22.

If a) Salary is due on 1st of every month

b) Salary is due on last date of every month.

(K4)

(OR)

b) Following are the income of Shri. Rathinam for the previous year 2021-22

i) Profit from business in Bangalore 10,000

ii) Income earned in India, but received in Japan 4,000

iii) Profit from business in Canada but received in India 5,000

iv) Income from house property in Bangalore but received in Bombay 4,000

v) Profit from business established in England and deposited there, the business being controlled from India 20,000

vi) Income from house property in America and deposited there 2,000

14. a) Compute the tax liability in following cases separately for the assessment year 2015-16:

	An Individual	A senior citizen	A super senior citizen
	Rs.	Rs.	Rs.
Case A	2, 46,363	2, 96,904	4, 86,363
Case B	5, 65,403	5, 65,403	5, 65,403
Case C	10, 15,309	10, 15,309	10, 15,309 (K4)

(OR)

b) From the following statement, compute the income from profession of Dr.S.K.Kapoor if accounts are maintained on cash/receipt system. **(K5)**

Particulars	Rs.	Particulars	Rs.
To Dispensary rent	36,000	By visiting fees	45,000
To electricity and water charges	6,000	By Visiting fees	1,25,000
To telephone expenses	6,000	By sales of medicine	72,000
To salary to nurse and compounder	36,000	By Dividends	5,000
Dep. on surgical equipment	6,000		
To purchase of medicines	36,000		
To depreciation on X-ray machine	4,000		
To income tax	5,500		
To donation to Rama Krishna Mission	4,000		
To motor car expenses	9,600		
To Dep.on car	4,800		
To Net income	93,100		
		2,47,000	2,47,000

Notes : 1). Electricity and water Charges include domestic bill of Rs. 2,500.

2). Half of motor car expenses are for professional use.

3). Telephone expenses include 40% for personal use.

4).Opening stock of medicines was Rs.6,000 and Closing Stock was Rs.4,000

15. a) Calculate ARV from the particulars given below (K4)

Actual rent	Rs.6,000 p.m.	MRV	Rs.60,000 p.a
FRV	Rs.66,000 p.a,	Standard rent	Rs.69,000 p.a.

(OR)

b) The following are the incomes of Mr. Salman for the previous year 2021-22 (K5)

i)	Profit from sale of machinery in Bangalore but received in Australia	30,000
ii)	Profit from business in Canada, but business controlled from India (On-third is received in India)	42,000
iii)	Income from house property in Iran	20,000
iv)	Agriculture income in England and received there but later brought to India	8,000
v)	Past untaxed foreign income brought into India during the previous year 2021-22	6,000

Compute his gross total income if he is i) Resident; ii) Not Ordinarily Resident;

iii) Non – Resident
