

(FOR THE CANDIDATES ADMITTED

SUBJECT CODE **22 UPA 306**

DURING THE ACADEMIC YEAR 2022

ONLY)

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**

**END-OF-SEMESTER EXAMINATIONS : NOVEMBER - 2023**

**B.Com P.A**

**MAXIMUM MARKS: 50**

**SEMESTER III**

**TIME : 3 HOURS**

**PART - III**

**22 UPA 306 – INCOME TAX**

**SECTION – A**

**(10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

1. Individual and HUF can be classified \_\_\_\_\_ **(K1)**  
(a) Two (b) Three  
(c) Four (d) Five
2. The maximum amount allowed as deduction for entertainment allowances is \_\_\_\_\_  
(a) Rs.5000 (b) Rs.10000  
(c) Rs.15000 (d) Rs.50000
3. Activities which are performed in order to earn live hood are called \_\_\_\_\_  
(a) Vacation (b) Profession  
(c) Business (d) Income and Profession
4. The provision related to the income from house property is contained in section \_\_\_\_\_  
(a) 16 – 21 (b) 22 – 27  
(c) 28 – 32 (d) 36 – 42
5. Income from others sources is the \_\_\_\_\_  
(a) First head of income (b) Fourth head of income  
(c) Last and residuary head of income (d) Last income of house property

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES**

6. Define the term Resident. **(K2)**  
7. Write short notes on daily allowances.  
8. What is illegal business?  
9. Define the MRV.  
10. What is casual income?

**SECTION – B**

**(5 X 3 = 15 MARKS)**

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

11. a) Mr. Amal, an Indian citizen left India for the first time on 29.09.2022. He did not return until 31.03.2022. Determine his residential status for the P.Y. 2022-23. **(K3)**

**(OR)**

- b) Mr. Akbar's gross total income during the previous year 2022-23 was Rs. 180000. He made the following payment during 2022-23. Compute his total income.
- LIC Premium for his own life Rs. 75000  
(Sum assured Rs. 300000)
  - LIC Premium for his son ( not dependent on Mr. A) Rs. 15000
  - LIC Premium for a dependent brother Rs. 5000
  - Repayment of housing loan from SBI Rs. 85000  
(Principal Rs. 50000, Interest Rs. 35000)
  - Tuition fees for his children Rs. 40000  
(First child -18000; second child – 12000; third child – 10000).

12. a) Examine the features of salary?

(OR)

b) Mr. Victor received the following from XY Ltd., Chennai during the P.Y 2022-23. Basic salary rs.8000 p. a D. A.rs 4000 (it forms part of retirement benefit), Bonus rs.10000p. a commission 3% on turnover (turnover during the p. y rs.300000) HRA @ rs.6000 p. a (actual rent paid rs.6500p.a in Chennai). Find out taxable house rent allowance.

13. a) Profit and loss account of Mr. kalidoss showed a profit of rs.75000 for the year ended 31.03.22. The opening and closing stock are valued at rs.24000 and rs.36000 respectively. Stocks are undervalued by 25%. Compute his taxable income from business.

(OR)

b) Profit and loss account of Mr. Kannan showed a profit of rs.120000 for the year ended 31.03.22. The opening and closing stock are valued at rs.48000 and rs.60000 respectively. Stocks are overvalued by 20%. Compute taxable income from business.

14. a) How to Exempted from house property?

(OR)

b) From the following particulars, calculate the gross annual value.

Particulars	House1	House2
MRV	30000	42000
FRV	24000	50000
SRV	35000	60000

15. a) Mr. Cheran received the following interest income during the P.Y 2022-23. Ascertain his taxable income from other sources.

1. Rs. 4,500 received as interest on less tax commercial securities
2. Rs. 6,300 received as interest on tax free commercial securities
3. Rs. 9,000 received as interest on securities issued by Madres Rubber Factory
4. Rs. 5,400 received as interest on debentures issued by local authority.

(OR)

b) Mr. Gajapathy received the following income during the P. Y 2022-23. Compute his taxable income from other sources.

- |   |        |
|---|--------|
| 1. Winning from lottery                       | 21,000 |
| 2. Amount received from winning of lottery    | 21,000 |
| 3. Winning from horse race                    | 14,000 |
| 4. Amount received from winning of horse race | 14,000 |
| 5. Loss from horse race                       | 3,000  |

### SECTION – C

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4/K5)

16. a) Mr. Narasimhan has received the following income during the P. Y. 2022-23.

	Rs.
Salary received in India for five months.	15,000
Income from House property in India (computed)	12,350
Interest on savings bank deposits in SBI	5,000
Amount brought to India out of pass untaxed profit earned in finance	25,000
Income from Agriculture in Malaysia being invested in India	10,000
Income from business in Singapore being controlled from India	35,000
Dividend received in Germany from French companies of which Rs.5,000 was remitted to India	50,000

You are required to compute total income of Mr. Narasimhan for the P.Y 2022 -23. If he

- i. Resident and ordinary resident
- ii. Resident but not ordinary resident

iii. Non resident

/3/

(OR)

b) Examine the various types of Residential status.

17. a) discuss the different types of allowances.

(OR)

b) Mr. Stephen is an employee whose allowances are received for his great children. It is fully regarding his salary income as follows. Compute his under taxable salary P.Y 2022-23.

	<b>Rs.</b>
Basic salary @ Rs.40,000 p.m	4,80,000
D.A (from part of salary)	48,000
Bonus equal to 1 month salary including DA	44,000
Commission	60,000
Advanced Salary	50,000
Employees contribution in RPF	72,000
Employees contribution in RPF	72,000
Interest credited to his PF @ 12%	30,000
HRA (Actual rent paid Rs.9,000 p.m)	7,000 p.m
He paid professional tax	3,600

He is provided a big car with driver which he uses both for his personal and official purpose  
Employer provided him free lunch for 300 days, cost being Rs.160 per day.

During the previous year he has been provided an interest free loan of Rs.20,000 to purchase home appliances.

18. a) Enumerate the important terms of income from business or profession.

(OR)

b) From the following P& L account of Mr. Aranganathan compute his taxable income from business for the P.Y 2022-23.

Particular	Rs.	Particular	Rs.
To Salary to staff	48,000	By Gross profit	75,000
To Donation	6,000	By Income from HP	15,000
To Electricity	5,000	By Dividend from Investena	5,000
To Provision for bad debts	3,000		
To Net Profits	33,000		
	<u>95,000</u>		<u>95,000</u>

19. a) From the following particulars, calculate the gross Annual Value

Particulars	House 1	House II
MRV	50,000	30,000
FRV	60,000	40,000
SRV	65,000	39,000
ARV	55,000	42,000

(OR)

b) from the following particulars, calculate IFHP

Particulars	House 1	House II	House III
MRV	48,000	60,000	72,000
FRV	60,000	66,000	78,000
SRV	66,000	72,000	75,000
Nature of occupation	LOP	LOP	SOP
Municipal Tax	4,800	6,000	7,200
Collection charges	3,000	4,000	5,000
Land Revenue	2,000	2,500	3,000
Interest on capital borrowed on 13.98	45,000	50,000	60,000
Actual rent p.m	7,000	5,000	-
Unrealized rent	1 months		

20. a) Analysis the various kinds of securities.

(OR)

b) From the following particulars of Mr. Mano for the P.Y ended on 31.03.2023. compute taxable income from other sources.

Particulars	Rs.
Dividend	13,000
Director fees	22,200
Winning form lotteries (Net)	28,000
Royalty for a book written by him	12,000
Income from articles published in "Indian Management	2,000
Examinership remuneration	12,000
Interest on tax free debenture (utilized)	6,500
Ground rent	5,000
Income from undisclosed sources	10,000
Income from letting on Plant & Machinery along with building	15,000
Following are the expenses claimed by them	50
Depreciation on P&M and Building	2,000
Proof reading expenses for writing the book	3,000