(NO. OF PAGES: 5)

(FOR THE CANDIDATES ADMITTED **24UBP409**

DURING THE ACADEMIC YEAR 2024-2027 ONLY) **REG.NO. :**

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

END-OF-SEMESTER EXAMINATIONS: MAY 2026

B.COM (BPS) **MAXIMUM MARKS: 75**

SEMESTER: IV **TIME: 3 HOURS**

PART - III

24UBP409 – INCOME TAX

SECTION – A **(10 X 1 = 10 MARKS)**

ANSWER THE FOLLOWING QUESTIONS. **(K1)**

1. The year in which the income earned is chargeable to tax is _______.
   - a) Previous year b) Current year
   - c) Assessment year d) Calendar year
2. Salary of a MP will be taxable under the head _______.
   - a) Salaries b) Profit from business
   - c) Profit from profession d) Income from other sources
3. In case of self occupied house, maximum deduction for Interest on Housing loan is _______.
   - a) 30,000 b) 2,00,000
   - c) 2,50,000 d) No limit
4. The exemption u/s 54EC can be claimed if bonds are purchased within _______ from the date of sale.
   - a) 6 months b) 1 year
   - c) 2 years d) 3 years
5. Deduction u/s 80 G is in respect of __________.
   - a) Donation c) Medical insurance premium
   - b) LIC Premium d) Repayment of educational loan

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES **(K2)**

6. Define the term Assessee.
7. What is Gratuity?
8. Indicate Gross Annual Value from the following MRV: Rs. 45,000; FRV: Rs.50,000; Standard rent Rs. 48,000 and Actual rent Rs. 42,000.
9. Define Long term capital asset.
10. What for deduction is allowed u/s 80D?

(CONTD …. 2)

SECTION – B (5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Describe the terms Previous year and Assessment year under Income Tax Act.

(OR)

b) Mr. Ram, an Indian citizen leaves India for the first time on 31st May 2020 and comes back on 15th May 2023. He again leaves India on 10th June 2024 to come back on 14th January 2025. He is living in India since then. Show his status for the Previous year 2024 – 2025.

12. a) Calculate the Gross salary from information given below:

Salary – Rs. 25,000 p. m.

D.A. – Rs. 5,000 p.m. (Rs. 2,500 p.m. enters into pay for service benefits)

Advance salary for 2 months – Rs. 55,000

Employer's contribution to R.P.F. – Rs. 3,500 p.m.

(OR)

b) Interpret the taxable part of annual accretion from information given below:

i) Salary Rs. 48,000 p.m.

ii) Commission @ 1% of turnover of Rs. 80,00,000 achieved during the previous year

iii) Employer's contribution to R.P.F. @ Rs. 7,000 p.m.

iv) Interest credited to R.P.F. balance @ 12% p.a. is Rs. 72,000

13. a) List and explain the deductions of House property under the Income Tax Act.

(OR)

b) The following is the Profit & Loss account of a merchant for the year ending 31.3.2025.

Profit & Loss Account

Particulars	Amount	Particulars	Amount
To Office Salary	2,08,200	By Gross Profit	4,36,750
To Provision for bad debts	3,000	By Commission	1,950
To Advertisement	53,800	By Rent of House Property	3,600
To Insurance (House Property)	550	By Profit on sale of investment	3,000
To General expenses	52,750		
To Depreciation	1,200		
To Interest on Capital	3,300		
To Net profit	1,22,500		
	4,45,300		**4,45,300**

Find out the taxable profit from business. The amount of Depreciation is Rs. 1,000.

(CONTD ….3)

14. a) Describe the types of Capital asset with example.

(OR)

b) Find out the capital gain in the following cases:

i) WDV of Office furniture as on 1-4-2024 Rs. 18,000

(Which was purchased on 15-09-2008 for Rs. 20,000 and sold on 1-9-2024 (CII =363) for Rs. 26,000)

ii) Bonds purchased on 1-11-2006 (CII =122) for Rs. 2,60,000 were sold on 1-1-2025 (CII=363) for Rs. 4,00,000

15. a) From the following particulars of Mr. A, you are required to show the set off and carry forward where necessary

	Assessment year 2025 -2026
Income from Salary (Computed)	15,000
Income from Interest on securities (Gross)	5,000
Business loss	15,000

(OR)

b) List the deductions under section 80C of the Income Tax Act.

SECTION – C (5 X 8 = 40 MARKS)

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

16. a) Analyse how residential status of an individual is determined.

(OR)

b) Outline exempted incomes in detail.

17. a) Interpret the Gross salary under old tax regime from the information given below:

Salary – Rs. 30,000 p.m. D.A. – Rs. 6,000 p.m. C.C.A. – Rs. 1,000 p.m.

House Rent Allowance – Rs. 8,000 p.m.

Commission on turnover achieved by him – Rs. 40,000

Living in rented house at Delhi (D.A. enters into service benefits) & rent paid Rs.7,000 p.m.

(OR)

b) Interpret & find out the Gross Salary of Shri Arvind under old tax regime for the Previous year

i) Salary Rs. 32000 per month

ii) Employer and employee contribution towards RPF is Rs. 4000 per month

iii) Dearness allowance Rs.5000 p.m. It is not considered for computation of his retirement benefits

iv) Interest credited to P.F. @13% is Rs. 13000

v) Bonus Rs. 30000

vi) His ration bill of Rs. 2000 p.m. is paid by employer.

(CONTD …. 4)

18. a) Mr. D owns a house at Vijay Nagar and submits the following particulars:

Rent received Rs. 1,75,000 Standard rent Rs. 1,60,000

Municipal Valuation Rs. 1,70,000 Fair rental value Rs. 1,72,000

Municipal taxes - 12% of MRV + 2% of Municipal taxes as Sanitation surcharge

Interpret and Show the Net Annual Value.

(OR)

b) Ramakrishna is a Chartered Accountant in Bangalore. He has submitted the following Income and Expenditure account for the year 2024 – 25. Interpret his income from Profession for the Assessment year 2025 – 26.

Particulars	**Amount**	**Particulars**	**Amount**
Office Rent	33,000	Audit fees	3,00,000
Salary to staff	75,000	Financial consultancy	
Charities	11,000	service	60,000
Subscription for Journals	2,400	Interest on bank deposit	22,000
Drawings	16,000	Dividends from UTI	6,000
Car expenses	24,000	Accountancy works	32,000
Household expenses	8,600		
NSC purchased	20,000		
Net income	2,30,000		
	4,20,000		**4,20,000**

Additional Information:

1. Office rent Rs. 3,000 though paid is not recorded.
2. Depreciation of car during the year is Rs. 6,000
3. 30% of car expenses and depreciation are related to personal purposes.

19. a) Point out the taxable capital gain from particulars given below:

i) Net consideration of a residential house Rs. 10,00,000 (2-6-2024) (C.I.I.: 363)

ii) Cost of acquisition of this house Rs. 2,10,000 (1-5-2007) (C.I.I.: 129)

iii) New house acquired 0n 1-9-2024 for Rs. 2,00,000

(OR)

b) Show any ten Income from other sources with example.

(CONTD …. 5)

20. a) Discuss the provisions for set off and carry forward of losses? Explain with example.

(OR)

b) Interpret and find out the total income for the Previous year 2024 - 25 from the particulars:

i) Income from let – out house (Computed)	6000
ii) Annual rental value of self- occupied house	4000
iii) Municipal taxes	4000
iv) Profit from electric goods business	10000
v) Profit from agency business	3000
vi) Speculation gain from Gold	2000

Following losses have been brought forward from 2023 – 24 previous year

i)	Loss from electric goods business	6000
ii)	Loss from agency business	1000
iii)	Speculation loss from silver	4000
iv)	Unabsorbed depreciation	1000

****

நுவாறைஉயட ியிநச