

(FOR THE CANDIDATES ADMITTED

21UBM305

DURING THE ACADEMIC YEAR 2021 ONLY)

REG.NO. :

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

END-OF-SEMESTER EXAMINATIONS : DECEMBER-2022

COURSE NAME: B.B.A

MAXIMUM MARKS: 70

SEMESTER: III

TIME : 3 HOURS

PART - III

TAXATION

SECTION - A (10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

(K1)

1. Income Tax is imposed by _____.
a. State Government b. Central Government c. Both a & b d. Constitution of India
2. Income from Salary includes _____.
a. Basic Payment b. Allowances c. Perquisites d. All of the above
3. Under the head Income from House Property the basis charge is _____.
a. Rent Received b. Annual Value c. Net Profit d. None of the above
4. _____ tax is allowed as deduction while computing the business income.
a. Sales b. Income c. Wealth d. None of the above
5. Capital gain is the gain which arises from the transfer of _____.
a. Land and Building b. Share of Blue Chip Company c. Capital Asset d. All of the above

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

6. Define Previous Year.
7. What is Dearness Allowance?
8. From the following compute ARV.
 - i. MRV - 60000 p.a.
 - ii. FRV - 75000 p.a.
 - iii. Real Rent - 69000 p.a.
 - iv. Standard Rent - NA
9. What is Deemed Profit?
10. Mr.D holds 2000 preference shares of rs 100/- each in a company. Company had reserves worth rupees 50 lakhs. Out of these serves it issued bonus shares in the ratio of 1:4. Market value of these shares amounts to rs 116/-per share. How will they be treated in the hands of Mr D?

SECTION – B

(5 X 4 = 20 MARKS)

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

11. a) Apply the Conditions for Residential status.

(OR)

- b) Compare Tax Evasion & Tax Avoidance.

(CONTD.....2)

12. a) Mr. Sen was appointed as Reader in Kolkata University in the scale of 37400-1200-62400 on 1/9/2018. Compute his salary income for the previous year 2021-2022 if Salary is due on 1st of every month.

(OR)

- b) Compute gross salary from information given below:
- Salary @ 25000 p.m.
 - D.A. @ 5000 p.m. [2500 p.m. enters into pay for service benefits]
 - Advance Salary for Two months 55000/-
 - Employer's Contribution to R.P.F 3500 p.m.
13. a) Compute Annual Rental Value in the following case:
- Municipal Rental Value ----- 48000 p.a.
 - Actual Rent Received ----- 50000 p.a.
 - Lift & Pump maintenance charges born by owner ----- 6000 p.a.
 - Salary of common gardener and watchman paid by tenants to the owner is 500 p.m. and actual expenses incurred by the owner during the year are 4200/-

(OR)

- b) Mr Bean Own house at Vijaynagar and submit the following particulars
- | | |
|---------------------------|----------|
| Rent received ----- | 175000/- |
| Standard rent ----- | 160000/- |
| Municipal valuation ----- | 170000/- |
| Fair rental value ----- | 172000/- |
- Municipal taxes- 12 percentage of municipal rental value plus two percentage of municipal taxes as sanitation surcharge.
Compute net annual value.
14. a) List the Incomes not Taxable under head Profit and Gains of Business or Profession
- (OR)
- b) Examine the Expenditures Allowed as Deductions in Profit and Gains of Business or Profession
15. a) List out that includes in 'Income from Other Sources'.
- (OR)
- b) Mr.R held the following investments.
- Rs 90000/- 10% (tax free) Debentures of a listed company (Rate of T.D.S 10%)
 - Rs 100000/- 12% Punjab Govt Loan.
- Compute his income from interest on securities for the year ending 31-3-2022

SECTION - C

(4 X10 = 40 Marks)

ANSWER ANY FOUR OUT OF SIX QUESTIONS.

(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS

(FROM Qn. No : 17 to 21)

(K4 (or) K5)

16. Compare (i) Capital Loss and Revenue Loss (ii) Capital Receipt and Revenue Receipt.

17. Discuss the Sources of Income Tax.

18. Mr A received the following emoluments during the previous year 2021 -22

(Patna population 20 lakhs)

Basic salary (due on last day of the month from 1-1-2021) -----	40000/- p.m
Increment rs 2000 per month from 1-6-2021	
Dearness allowance (50 percentage of this enters into pay for retirement benefit)-----	8000/- p.m
House rent allowance (up to 31st August 2021) -----	8000/- p.m

Rent free house with effect to from 1-9-2021, rent paid by employer -----10000/- p.m
The same accommodation was hired by employee till 31st August 2021 and later on employer hired it and was given to the employee free of rent.

The accommodation was furnished by employer at the cost of rs 60000/-

Compute taxable H.R.A for the previous year ending on 31st March 2022.

19. Mr. X, the owner of two houses, occupies one for his own residence and the other he lets to a tenant at a monthly rent of 500/-. The municipal valuation of the house occupied is 2600/- and of the other is 5200/-. The municipal taxes of the two amounted to 600/-. The other expenses in respect of the two houses are as follows.

Insurance premium (for both houses) ----- 1200/-

Annual charge in respect of the house occupied ----- 300/-

Ground rent for the house let ----- 100/-

Repairs of the house occupied ----- 700/-

Interest on loan taken to repair the two houses ----- 400/-

Mr X also had income from other sources amounting to rs 20000/- during the year calculate tax income from house property income.

20. Summarize the Income Chargeable under the Head Profit and Gains of Business or Profession.

21. Calculate income from other sources from information given below

Winnings from lottery -----100000/-

Amount received from Race winning ----- 35000/-

Gift received during the previous year 2021 - 2022

Received Rs 20000/- as gift from his friend

Received Rs 100000/- as gift from his elder brother

Received Rs 140000/- as gift on his marriage

Received Rs 80000/- as gift from his N.R.I Friend on 1-1-2022

Another gift of Rs 18000/- received from his cousin.
