



K24U 0952

Reg. No. :

Name :

**IV Semester B.Com. Degree (C.B.C.S.S. – Supplementary/One Time Mercy
Chance) Examination, April 2024
(2014 to 2018 Admissions)**

Core Course

4B07 COM : INCOME TAX LAW AND PRACTICE – I

Time : 3 Hours

Max. Marks : 40



Answer **all** questions. **Each** carries ½ mark.

1. The previous year always ends on
2. If a person is satisfying any one of basic condition and none of additional conditions, he is called
3. While calculating business income, the disallowed portion of the preliminary expense is
4. A person paid Rs. 3,20,000 as interest on loan for the construction of house given on rent. Maximum deduction on interest on loan is **(4×½=2)**

PART - B

Answer **any four** questions. **Each** carries **one** mark.

5. What is previous year ?
6. How the residential status of a company is determined ?
7. What do you mean by pre-construction-period ?
8. What is LTCA ?
9. What is subletting ?
10. Mention any two professional receipts. **(4×1=4)**

PART - C

Answer **any six** questions (**not** exceeding **one** page). **Each** carries **three** marks.

11. Explain any three exempted LTCG.
12. What are the categories of securities ?
13. Explain different categories of Provident Fund.

P.T.O.



14. From the following information, compute depreciation allowable for the AY 2022 – 23.

WDV of furniture	1,10,000
Furniture purchased in June 2021	15,000
Furniture purchased in January 2022	20,000
Part of furniture sold in February 2022	3,000
Rate of Depreciation	10%

15. Mr. X left for Japan on 15th March, 2019 after staying in India for 15 years. He came back on 31st August, 2021. Compute his residential status for the AY 2022 – 23.

16. Resident of Rampur Sri Vimal gets Rs. 1,44,000 as salary, Rs. 12,000 as dearness pay, Rs. 12,000 as DA and Rs. 10,000 p.a. fixed commission during the previous year. During the previous year he received Rs. 30,000 as HRA though he paid Rs. 36,000 as rent. Compute taxable HRA.

17. Mr. Chandra purchased a house for Rs. 2,00,000 in 2001 – 02 and paid Rs. 18,000 as registration expenses. He sold this house on 31-05-2021 for Rs. 25,00,000. The market value of this house on 15-09-2006 was Rs. 10,00,000. Compute taxable capital gain.

18. Compute the income for the year ending 31st March, 2022 under the head other source (CII 2021-22 – 317 2001-02 – 100). His investments were

	Rs.
a) 5% Gov't securities	70,000
b) 7.5% Agra municipal bonds	50,000
c) 9% debentures of a company	30,000
d) 7% capital investment bonds	20,000

(6×3=18)

PART – D

Answer **any two** questions. Each carries **eight** marks.

19. Explain the incidence of residence on tax liability.

20. Sri Manoj Kumar is getting Rs. 15,000 p.m. as basic pay, Rs. 1,500 p.m. as Dearness Pay and Rs. 500 p.m. as D.A. During the previous year he received the following allowances also :

- i) Rs. 60,000 as running flight allowance for reimbursement of personal expenditure while on duty during the running of truck.
- ii) Rs. 120 p.m./son as education allowance for the education of his two children.



- iii) Both these sons are living in a hostel on whom Sri Manoj Kumar is spending Rs. 500 p.m./son. He is getting Rs. 350 p.m. as hostel allowance for meeting this expenditure.
- iv) Rs. 350 p.m. as Tribal Area Allowance.
- v) Rs. 100 p.m. as conveyance allowance which is used by him for private purpose.
- vi) Rs. 3,000 p.m. House Rent Allowance.

Sri Manoj Kumar has taken a house for his residence at Bilaspur at Rs. 4,000 p.m. as rent. He contributes 12% of his basic pay and Dearness Pay to his RPF and the employer also contributes a similar amount.

Compute taxable salary of Sri Manoj Kumar for the AY 2022 – 23.

21. The following is the Profit and Loss Account of Mr. X for the year ended on 31st March, 2022. Compute his taxable income from business for that year.

	Rs.		Rs.
Opening stock	15,000	Sales	2,80,000
Purchases	1,40,000	Closing stock	20,000
Wages	20,000	Gift from father	10,000
Rent	46,000	Sale of car	17,000
Repairs of car	3,000	Income tax refund	3,000
Medical expenses	3,000		
General expenses	10,000		
Depreciation of car	4,000		
Profit of the year	89,000		
	3,30,000		3,30,000

Following information is given :

- a) Mr. X carries on his business from a rented premises half of which is used as his residence.
- b) Mr. X bought a car during the year for Rs. 20,000. He charged 20% depreciation on the value of the car. The car was sold during the year for Rs. 17,000. The use of the car was $\frac{3}{4}$ th for the business and $\frac{1}{4}$ th for personal use.
- c) Medical expenses were incurred during the sickness of Mr. X for his treatment.
- d) Wages include Rs. 250 per month on account of Mr. X's driver for 10 months.

(2×8=16)