

SIXTH SEMESTER B.B.A. DEGREE EXAMINATION, MARCH/APRIL 2016

(UG—CCSS)

Core Course

BB VI B 14—INCOME TAX

Time : Three Hours

Maximum : 30 Weightage

I. Objective type questions. Answer all *twelve* questions :

1 Income tax department works under :

- (a) State Government. (b) President.
(c) Income tax commission. (d) CBDT.

2 Deduction allowed against gross salary :

- (a) Professional tax. (b) Entertainment tax.
(c) Income tax. (d) Insurance premium.

3 Assessee includes :

- (a) Individual. (b) HUF.
(c) Company. (d) All of the above.

4 Income tax is payable on :

- (a) Earned income. (b) Salary.
(c) Taxable income. (d) Every income.

5 Short term capital gain is derived from _____.

6 Income from sale of crop is _____ income.

7 Winnings from lottery is _____ income.

8 Education cess is calculated on _____.

9 What is GTI ?

10 What is PF ?

11 What is PAN card ?

12 How many heads of income are there ?

(12 × ¼ = 3 weightage)

II. Short answers type questions. Answer all *nine* questions in one or two sentences each :

- 13 Who is a person as per Income Tax Act ?
- 14 What do you understand by Income from house property ?
- 15 What is perquisite ?
- 16 What do you mean by Gross Total Income ?
- 17 What is capital gain ?
- 18 Who is a non-resident ?
- 19 What do you mean by Casual Income ?
- 20 What do you mean by Bond Washing Transactions ?
- 21 What is agriculture Income ?

(9 × 1 = 9 weightage)

III. Short essay or paragraph questions. Answer any *five* questions from seven :

- 22 Explain any *five* income exempted from Income Tax.
- 23 Write any *five* deductions under Section 80 C of Income Tax Act, 1961.
- 24 What is the residence and incidence of tax ?
- 25 Explain the differences between Long Term Capital Gain and Short Term Capital Gain.
- 26 Find out the taxable value of perk of car in following case. Mr. Mohamed is an Executive director of a company and has been provided two cars. One of the cars costing Rs. 16 lakhs is meant for his family use and the other one is meant for official Use. The running and maintenance of car for private use are as under :

Petrol—Rs. 48,000.

Insurance—Rs. 16,000.

Driver—Rs. 60,000.

Running and maintenance on the car being used for official duties are as under.

Petrol—Rs. 72,000.

Cost of Car—Rs. 16,00,000.

27 Compute gross salary from the information given below, if he is living in his own house.

- (a) Salary —Rs. 3,500 p.m.
- (b) D.A.—Rs. 1,000 p.m.
- (c) C.C.A.—Rs. 200 p.m.
- (d) H.R.A.—Rs. 1,000 p.m.
- (e) Commission on turnover achieved by him—Rs. 6,000.

28 Mr. Salim sold his agricultural land situated in an urban area for Rs. 10,00,000. (Brokerage paid 1%), on March 31st 2015. (Cost of acquisition Rs. 50,000 on March 1, 1987, it was used for agricultural purpose since 1990). On April 6, 2015, he purchased the following assets :

- (a) Agricultural land : Rs. 1,00,000 ; and
- (b) A residential house property Rs. 5,00,000.

Find out the capital gains chargeable to tax for the Assessment Year 2015-16.

C I Index for 2014-15 is 1024 and for 86-87 it was 140.

(5 × 2 = 10 weightage)

IV. Essay questions. Answer any *two* questions from *three* :

- 29 What do you mean by deduction U/S 80 C. Explain any *ten* permissible deductions.
- 30 Mr. Savin is the owner of following 3 let out and 1 self occupied house properties. Find out the net annual value for the Assessment Year 2015-16.

	A	B	C	Self occupied
Municipal rental value ...	30,000	30,000	60,000	90,000
Fair rental value ...	32,000	28,000	66,000	—
Standard rent ...	34,000	40,000	50,000	—
Actual rent received ...	38,000	32,000	48,000	—
Municipal taxes - paid ...	2,000	4,000	—	9,000
Municipal taxes - due ...	2,000	—	4,000	—

Turn over

31. From the following particulars of Mr. Arjun, compute the amount of taxable gifts chargeable as income under the head 'income from other sources', with explanations.

- (a) Received a cheque of Rs. 1,00,000 as a gift from his grand father on 15 May 2014.
- (b) Received Rs. 20,000 from his friend in Canada as a gift on 31th May 2014.
- (c) Received Rs. 5,00,000 under a will from his grand mother on 30th June 2014.
- (d) Received Rs. 50,000 from his father's friend on 30th June 2014.
- (e) Received Rs. 75,000 as gift from his uncle on 30th September 2014 on his birthday.
- (f) Received Rs. 20,000 as gift from his employer on 1st October 2014.
- (g) Received Rs. 51,000 as gift from his father's brother on 30th November, 2014.
- (h) Received a house as gift from his uncle on 15th June, on his birthday worth 15,00,000.
(Stamp duty value is 10,00,000.)

(2 × 4 = 8 weightage)

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