

RAHT323

EX

SYBAF

Sem IV

21/3/23

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TAX

- Notes :-**
1. All questions are compulsory subject to internal choices.
 2. Figures to the right indicate full marks.
 3. Use of simple calculator only is allowed.
 4. Working note should form part of answer.

Q.1.A. State whether following statements are True or False. (Any 8)

08

1. Individual can be taxed in respect of his own income only.
2. Revocable transfer gives the transferor right to re-assume power of the asset.
3. Long term capital loss can be set off against short term capital gain as well as long term capital gain.
4. Unabsorbed loss from house property cannot be carried forward.
5. TDS is to be deducted if interest paid by Bank exceeds Rs 10,000.
6. U/s 194-I, service tax is included while deducting tax.
7. Interest u/s 234A is not levied if return is not furnished.
8. For calculation u/s 234A / 234B / 234C, amount is to be rounded off to nearest Rs 10/-.
9. Double Taxation increases the cost of operating on an international scale.
10. Income on which tax has been paid in foreign country is eligible for claiming relief u/s. 91.

Q.1.B. Fill in the blanks with appropriate option. (Any 7)

07

1. _____ Taxation means taxing the same income twice in the hands of an assessee.
(Dual / Double / Doubtful)
2. The assessee is liable to pay _____ for every month u/s 234A.
(simple interest @1% / compound interest @ 1% / penalty)
3. TDS is to be deducted @ _____ us 194A. (15% / 5% / 10%)
4. There cannot be loss under the head _____ (Salary / House Property / Other Sources)
5. A transfer is revocable if transferor can / has _____ (re-transfer the income or asset / right to re-assume power / both of these)
6. Transfer made out of natural love & affection is transfer for _____ (adequate consideration / inadequate consideration / no benefit)
7. Business Loss cannot be set off against _____ (House Property income / Capital Gain / Salary)
8. The amount of tax deducted is adjusted against _____ (final tax liability / net amount / advance tax)
9. Tax due on _____ income is not relevant for interest u/s 234C. (assessed / returned / provisional)

10. In India, a resident is taxed on his _____ (Indian Income / Global Income / Expenses)

Q.2.A. Mr Anuj furnishes the following particulars of his income for the previous year 2021-22:

Particulars	Amount
House Property (Delhi)	5,00,000
House Property (Kolkotta)	(-) 2,00,000
Business (Jute)	(-) 15,00,000
Business (Cotton)	18,00,000
Speculation (Shares)	2,00,000
Speculation (Silver)	(-) 5,00,000
<u>Capital Gain (Short term):</u>	
- Land	3,00,000
- Shares	(-) 2,00,000
<u>Other Sources:</u>	
- Card Game	2,50,000
- Race Horses	(-) 3,00,000

Determine Mr Anuj's Gross Total Income for Assessment Year 2022-23

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OR

Q.2.B. Mr Dhanush submits the following information in relation to Assessment Year 2022-23.

Particulars	Amount
Income from Salary	4,00,000
Income from House Property – 1	1,50,000
Loss from House Property – 2	(-) 2,00,000
Loss from Business - I (speculative)	(-) 30,000
Profit from Business - II (Non-speculative)	1,00,000
Loss from Business - III (Non-speculative)	(-) 20,000
Short Term Capital Loss	(-) 1,20,000
Long Term Capital Gain	1,60,000
Wining from crossword puzzle	60,000

Compute Gross Total Income of Mr Dhanush and loss to be carried forward.

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Q.3.A. From the following Income and Expenditure Account of Dr Ram compute his total taxable income for Assessment Year 2022-23.

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Expenditure	Amount	Income	Amount
To Staff Salaries	1,20,000	By Consulting Fees	4,00,000
To Dispensary Expenses	67,500	By Visit Fees	1,00,000
To Dispensary Rent	60,000	By Gifts from Patients	40,000
To Purchase of Medicines	45,000	By Sale of Medicines at the	
To Income Tax	35,000	Dispensary	80,000
To Professional Fees to Doctors	22,000	By Rent From House Property	1,20,000
To Car Expenses (For Profession)	36,400		
To Membership Fees	2,000		
To Municipal Tax Rented House	12,000		
To Interest on Housing Loan for			

Rented House	18,000		
To Printing Charges	4,000		
To Depreciation	48,000		
To Charity	1,500		
To Surplus for the year	2,68,600		
	7,40,000		7,40,000

P.T.O.

Additional Information:

1. Gifts from patients include Rs 1,000 from his father in personal capacity.
2. Depreciation as per Income Tax Rules Rs 45,000.
3. He paid medical insurance premiums of Rs 8,000 by cheque.
4. He purchased National Savings Certificates of Rs 30,000 and paid Life Insurance Premium of Rs 60,000.
5. He paid Rs 20,000 to Nationalised Bank towards principal repayment of housing loan

OR

Q.3.B. M/s Jai-Veeru, a partnership firm, submits the following profit and loss account to you for computation of taxable business income for the assessment year 2022-23. 15

Particulars	Amount	Particulars	Amount
To Salaries and wages	2,40,000	By Gross profit	9,00,000
To Rent	1,32,000	By Dividend from UTI	19,000
To Printing	24,000	By Dividend from Indian Co.	50,000
To Telephone & Mobile Expenses	22,000	By Interest on FD with BOI	50,000
To Conveyance	19,000		
To Bad debts	18,000		
To Interest	78,000		
To Depreciation	1,20,000		
To Professional fees	24,000		
To Subscription	24,000		
To Advertisement Expenses	18,000		
To Net profit	3,00,000		
	10,19,000		10,19,000

Additional Information:

1. Salaries include Rs 1,50,000 paid to working partner Jai & Rs 60,000 to working partner Veeru
2. Interest paid includes Rs 60,000 being interest paid to partner Veeru at the rate of 20% simple interest
3. The firm purchases goods in case of one bill for Rs 1,25,000 for which payment has been made by cash.

Q.4.A. The income of a family is as under :

1. Mr Ram (from business) – Rs 5,50,000
2. Mrs Seeta (salary from a school computed) – Rs 5,40,000
3. Minor Son Luv (from interest from a company) – Rs 10,000
(The amount for investment received from his grandfather)
4. Minor son Kush (from acting in a film) – Rs 60,000
5. Minor daughter Geeta (from lottery) – Rs 1000
(The lottery ticket was gifted to her by her maternal uncle)

Discuss in whose hands the incomes are assessable and to what extent?

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Q.4.B. Mr Ajay Mrs Kajol (Husband & Wife) each hold 25% of equity shares in Devgan Ltd. where they are both employed on a monthly salary of Rs 25,000/- & Rs 20,000/- respectively.

They do not have any professional qualification.

Income from Other Sources of Mr Ajay Rs 20,000/- & of Mrs Kajol Rs 75,000/-Compute

Taxable income in the hands of both applying the provisions of clubbing of income. 07

OR

Q.4. M/s A Ltd. an Indian Company, gives the following details to determine advance tax liability for the assessment year 2022-23. 15

Taxable Business Income – Rs 8,56,000

Income from other sources – Rs 1,24,000

Expected TDS from Business Income – Rs 67,000

Q.5.A. Discuss the Old Regime of Tax Rates for Individual 08

Q.5.B. What are the provisions u/s 74 of Income Tax Act regarding set-off & carry forward. 07

OR

Q.5. Write Short Notes (Any 3) 15

1. Clubbing of Minor's Income

2. New Tax Regime

3. Tax Rates for company

4. TDS

5. Section 74 of Income Tax Act regarding set-off & carry forward