

Exam. Code : 105406
Subject Code : 1529

Bachelor in Business Administration 6th Semester

INCOME TAX

Paper—BBA-603

Time Allowed-3 Hours] [Maximum Marks-50

SECTION—A

Note :- Answer any **ten** questions. Each question carries
1 mark. 1x10=10

1. (a) Define the term "Previous Year".
 - (b) What is House Rent Allowance ?
 - (c) What is Expected Rent ?
 - (d) What is Agriculture Income ?
 - (e) Give any two examples of fully Exempted Incomes under the head House Property.
 - (f) Define Long Term Capital Assets.
 - (g) What is Indexed Cost of Improvement ?
 - (h) What do you mean by Tax-Free Non-Government Securities ?
 - (i) How can you Set-off short term capital Loss ?
 - (j) Define the term "Casual Income".
 - (k) What is Recognised Provident Fund ?
 - (l) Distinguish between Gross Total Income and Total Income.

SECTION—B

Note :— Answer any two questions. Each question carries 10 marks. 2X 10=20

2. What are Perquisites ? Explain its various types in detail under the Head Salaries.
3. (a) What is Annual Value ? State the deductions that are allowed from the Annual Value in computing the income from House Property.

(b) Discuss in detail the Expenses that are Expressly Disallowed under the Head Profits and Gains of Business or Profession. 2x5=10
4. Mr. Anil built a residential house at Hyderabad and for the completion of the house he took a loan of Rs. 20 lacs from a bank as under :

(i) On 1-5-2008 Rs. 8,00,000 @ 10 %
(ii) On 1-11-2009 Rs. 8,00,000 @ 9 %
(iii) On 1-1-2011 Rs. 4,00,000 @ 8 %

House was completed in Oct, 2011 and since then it is occupied for the residential purpose of his family. He repaid Rs. 4,00,000 to the bank on 1st Dec. 2014 and the bank adjusted this amount against the loan of 2008. Determine the amount of deduction admissible u/s 24.

5. Mr. Sam a foreigner came to India from Poland for the first time on 1st April 2008. He stayed here continuously for 3 years and went to France on 1st April 2011. He, however returned to India on 1st July 2011 and went to Poland on 1st December 2012. He again came back to India on 25th January 2015 on a service in India. What is his residential status for the assessment year 2015-2016 ?

SECTION—C

Note :— Answer any **two** questions. Each question carries
10 marks. 2x10=20

6. Discuss in detail the various Incomes that are Chargeable under the Head "Income from Other Sources".
7. Discuss in detail the various "Deductions" to be made in computing Total Income of an assessee in respect of Certain Incomes.
8. Mr. Raj sold a plot of land at Jaipur on 1-6-2014 [C.I.I. = 1024] for 14,40,000. He Paid 40, 000 as selling expenses. The plot was received by him on death of his Father on 15-3-1985 [C.I.I. = 125]. His father had acquired it on 1-4-1980 for 1,00,000 and its F.M.V on 1-4-1981 was 1,20,000.
On 1-10-2014 he invested 3,00,000 in bonds issued by Rural electrification Corporation Limited notified u/s 54EC AND 2,00,000 on 1-3-2015 in bonds of national highway authority of India. Compute his Taxable capital gain.

9. The income and related particulars of Mr. C aged 56 for the year ended 31-03-2017 are given below.

- (a) Salary Rs. 24,000 per month.
- (b) He was provided with a rent free accommodation in Hyderabad for which rent of Rs. 6,000 per month was paid by the employer.
- (c) His wife was sick and treatment was taken in a private hospital for which an amount of Rs. 32,000 was paid towards medical expenses by his employer in December 2016.
- (d) An allowance of Rs. 13,200 was ,paid by his employer towards his son's education.
- (e) The employer paid D.A. of Rs. 10,000 per month (considered for retirement benefits), professional tax of Rs. 2400 and Income Tax liability of Rs. 15,000.
- (f) He encashed earned leave to his credit of Rs. 10,000.
- (g) Loss from speculative business Rs. 20,000.
- (h) Loss from Sale of shares in ABC Pvt. Ltd. held for 10 months Rs. 8000.
- (i) Profit on sale of -long term capital assets Rs. 10,000.

Compute the total Income and Tax liability of Mr. C for the assessment year 2017-2018.