

A
(21119)

Roll No.

Total Questions : 13]

[Printed Pages : 4

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B.B.A. Vth Semester Examination, Nov., 2019

INCOME TAX LAW AND ACCOUNT

(BSA-504)

Time : 3 Hrs.]

[M.M. : 75

Note :- Attempt questions from all Sections as per instructions.

Section-A

(Very Short Answer Type Questions) 3×5=15

Note :- Attempt all the *five* questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.

1. Distinguish between 'Tax Planning and Tax Evasion'.
2. Define Assessee.

3. Casual Income.
4. Distinguish between exemptions and deductions under Income Tax Act.
5. Explain the Assessment Year.

Section-B

(Short Answer Type Questions) 7½×2=15

Note :- Attempt any *two* questions. Each question carries 7½ marks. Short answer is required not exceeding 200 words.

6. Define Agricultural Income. State with example how is tax computed on agricultural income.
7. Discuss the provisions of Income Tax Act regarding exemption of following incomes :
 - (i) Gratuity
 - (ii) House Rent Allowance
8. Define Transfer. What are the transactions which are not regarded as transfer for computation of capital gains ?

Section-C

(Long Answer Type Questions) 15×3=45

Note :- Attempt any *three* questions. Each question carries 15 marks. Answer is required in detail.

9. Tax liability depends upon the residential status of an assessee. Explain in detail.

ND-190

(1)

Turn Over

ND-190

(2)

10. Explain the provisions of the Income Tax Act in the cases :

- (i) Deduction U/S 80D
- (ii) Deduction U/S 80TTA
- (iii) Deduction U/S 80U

11. The particulars of Mr. Manoj's income are as follows :

- (i) Salary (after deducting ₹ 48,000 for income tax at source) ₹ 3,60,000 p.a.
- (ii) Dearness allowance (under the terms of employment) ₹ 42,000 p.a.
- (iii) Education allowance (for 3 children) ₹ 15,700 p.a.
- (iv) Medical allowance (actual medical expenditure ₹ 14,000) ₹ 37,200 p.a.
- (v) Rent free house (in Jaipur) the company paid ₹ 8,000 per month as rent the house is furnished and the rent of furniture is ₹ 25,050 p.a.
- (vi) A domestic servant, a sweeper and a watchman were paid by the company ₹ 1,250 per month each.
- (vii) Expense of ₹ 8,000 borne by the company for refresher course.
- (viii) His contribution to R.P.F. ₹ 31,000 and employer's contribution ₹ 36,000.

(ix) The company has provided a free telephone at Mr. Manoj's residence and paid bill amounting to ₹ 8,000.

(x) Professional tax ₹ 7,000. He furnishes Income tax return. Compute taxable income from salary for the assessment year 2019-20.

12. Mr. A purchased a residential house for ₹ 50,000 in 1970. He spent ₹ 20,000 on this house in 1974. Part of the house was let out for a rent of ₹ 600 per month. He entered into an agreement of sale of this house with Deepak in 1987-88 and sale value fixed was ₹ 1,00,000. But the deal could not be finalised because Mr. Deepak could not pay the amount. Mr. A forfeited the advance amount of ₹ 5,000 received from Deepak. Mr. A got a new floor constructed in 2003-04 for ₹ 30,000. He sold this house on 15.07.2018 for ₹ 11,00,000 and paid 2% brokerage. Fair market value on 01.04.2001 was ₹ 80,000. Calculate capital gains for the assessment year 2019-20. Cost inflation Index : 2001-02-100; 2003-04-109; 2018-19-280.

13. Discuss the provisions of set-off and carry forward and of the following losses :

- (i) Loss from business
- (ii) Short-term capital loss
- (iii) Loss from lottery