

Roll No.

Total Pages : 06

BCQ/M-20

12361

CORPORATE TAXATION-III

TPPBC(VOC)-606

Time : Three Hours]

[Maximum Marks : 80

Note Attempt Five questions in all. Q. No. 1 is compulsory and answer to each part of Q. No. 1 should not be more than one page.

Compulsory Question

1. (a) What are the payments on which tax is deducted at source ? **4**

(b) When is a person liable to pay advance tax ?

(c) Explain double taxation relief. **4**

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(d) How is capital gain calculated at the time of liquidation of a company ? **4**

(e) Explain the treatment of expense for Family Planning in case of a company. **4**

2. What do you understand by advance payment of tax ? Explain clearly the provisions of Income Tax Act in this respect. **15**

3. Discuss the main points of tax planning in respect of employee remuneration from the employer's point of view. **15**

4. Explain the provisions for tax planning of an Indian company in relation to foreign collaboration. **15**

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5. When can a company claim exemption regarding capital gain on distribution of assets at the time of its liquidation ?

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6. What is double taxation avoidance ? Differentiate double taxation avoidance from double taxation relief.

7. What are the steps to be taken into account by a company for filling tax return as per Income Tax Act, 1961.

8. Mr. Bansal has received offers from companies of Delhi for service as under :

	A	B
	(`)	(`)
Basic Salary	6,50,000	4,40,000
H.R.A.	—	48,000
Travelling allowance (for coming to office from residence and back)	—	19,600

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Contribution to approved

superannuation fund by the employer ₹20,000

Mobile Phone — 22,400

Other Information are :

(i) His qualifying savings u/s 80C will be ` 50,000.

(ii) He will pay house rent ` 6,500 p.m.

(iii) He needs a mobile phone for private purposes.

Suggest which offer Mr. Bansal accept and why ?

9. Mr. A purchased 2000 equity shares in XYZ Ltd. on July 24, 2001 for ₹ 5 per share. XYZ Ltd. goes into liquidation on November 24, 2018. The balance sheet of the company as on date is as under :

<i>Liabilities</i>	()	<i>Assets</i>	()
20,000 Equity Shares	2,00,000	5,000 shares	
Accumulated Profits	15,00,000	of PQR Ltd.	14,00,000
Provision for Income Tax	7,00,000	Cash in Hand	10,00,000

Additional information :

- (i) The shares of PQR Ltd. were acquired for ₹ 4,50,000 on April 24, 2010.
- (ii) On liquidation, Mr. A gets 500 shares of PQR Ltd. and cash of ₹ 30,000. The market value of shares of PQR Ltd. on November 24, 2018 is ₹ 1,50,000.
- (iii) Mr. A transferred 500 shares on May 16, 2019 for ₹ 1,70,000.

Compute the tax liability of the company and income of Mr. A for the assessment years 2019-20 and 2020-21.

(Index for 2001-02 is 100, 2018-19 is 280)

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vU; lwpl,i %

- (i) PQR Ltd. d va'k 24izsy 2010 k 4,50,000 esa [kjns x Fks A
- (ii) daiuh ds leki ij] Mr. A dksPQR fyfeVsM d 500 va'k fkk jksdM 30,00,000eys A 24 up]ac 2018 dksPQR fyfeVsM ds va'k dk cktkj ewY; ` 1,50,000 fkk A
- (iii) fe- , us d ebZ 2019dks 500` va 70,000 esa vfir d fn, A

daiuh dk dj&fkZj.k o"kZ2019&20 dsfy, dSnkfRo rFkk feLVj; , dh d fu/kZj.k o"kZ2019&20 rFkk 2020&21 ds fy, vk; dh x.kk dhft, A
 (ykxr liQhf lwpl,i % 100-02ds fy, 100 fkk2018-19 ds fy, 280 gS)A