

Roll No.

Total Pages : 05

BCQ/M-20
INCOME TAX-II
BC-604

12349

Time : Three Hours]

[Maximum Marks : 80

Note Attempt Five questions in all. Q. No. 1 comprising of five short answer type questions carrying 4 marks each is compulsory. Attempt any four questions from remaining eight questions. All questions except Q. No. 1 carry 15 marks each.

Compulsory Question

- | | |
|---------------------------------|---|
| 1. (a) Rebate under Section 87A | 4 |
| (b) PAN | 4 |
| (c) Refund of Tax | 4 |

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(d) Partner's Remuneration limit under Section 40(b)

(e) Provisions of Section 80D

2. What do you mean by "Pay as you earn Scheme"?
Explain the provision of Income Tax regarding it.
3. What do you mean by appeal? Describe the procedure to filing appeal to Commissioner (Appeals). **15**
4. Explain the powers of Income Tax Authorities.
5. What do you mean by recovery of Tax? Explain different modes of recovery of Income Tax. **15**
6. Discuss the provision of Income Tax Act regarding Penalties. **15**

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- 7.** Explain the following : **15**
- (a) Provisions of Section 80 C
 - (b) Provisions of Section 80 G

- 8.** An individual (aged 85 years) has the following sources income for the assessment year 2019-20 :

	Rs.
(i) Gross Income from Salary (Pension)	1,20,000
(ii) Income from House Property (Computed)	84,000
(iii) Income from Business	5,14,000
(iv) Interest on Deposit in Bank	48,000

He has paid Life Insurance Premium of Rs. 8,000 and donated a sum of Rs. 5,000 to an approved Charitable Institution by Cheque.

Calculate the gross tax liability of the assessee for the Assessment Year 2019-2020. **15**

9. A, B and C are the partners of the firm. They share profit or losses in the ratio 5 : 3 : 2. The following particulars of the firm for the year ended 31-3-2019 are furnished :
- (i) The net profit as per P & L A/c was Rs. 44,000.
 - (ii) Salaries of Rs. 12,000 paid to B and Commission on Sales Rs. 6,000 paid to C were debited in the accounts.
 - (iii) Interest on Capital @ 20% paid Rs. 5,000, Rs. 4,000 and Rs. 3,000 to A, B and C respectively.
 - (iv) Interest of Rs. 8,000 paid to A on his loan @ 20%.
 - (v) Depreciation debited to accounts amounted to Rs. 10,000 but the admissible amount was Rs. 14,000.
 - (vi) The closing stock and opening stock of Rs. 8,00,000 and Rs. 9,00,000 respectively had both been valued at 10% undercost, though the market price in each case was higher than the actual cost.

Compute the taxable income of the firm for Assessment year 2019-20. The firm fulfills the conditions of Section 184.

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