

Interim Relief 12,000
 Commission (1% on turnover, turnover achieved by Mr. Ranjalu is Rs.30,00,000) 30,000
 Gift of washing machine by employer (cost to employer : Rs.18,000) —
 House rent allowance (Rent paid in Kolkata : Rs.90,000) 1,20,000
 Pension from a former employer 80,000
 Gift received from a family friend 16,000
 Free use of Air Conditioned Maruti Car for both official and private use with chauffeur (Expenses incurred by the employer Rs.5,000 p.m.)

During the year Mr. Ranjalu paid life insurance premium of Rs.8,000 on the life of his wife (sum assured Rs.60,000). Policy was taken on 15/02/2016. He also repaid the house building loan of Rs.65,000.

Determine the taxable income of Mr. Ranjalu for the assessment year 2023-24 giving all permissible deductions, Mr. Ranjalu has opted for Old Tax Regime.

Total number of printed pages-8

63/1 (Sem-4) CC10/
 COMHC4106/COMRC4056

2024

COMMERCE

Paper : COMHC4106/COMRC4056
 (Income Tax and Practices)

Full Marks : 60

Pass Marks : 24

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answer **any five** of the following :
 - (a) The present Income Tax Act came into force with effect from :
 - (i) 1st April 1961
 - (ii) 1st April 1962
 - (iii) 1st April 1964
 - (iv) 1st April 1861

(b) Who is regarded as 'person' as per section 2(31) under the Income Tax Act, 1961 ?

- (i) An Individual
- (ii) A Hindu Undivided Family (HUF)
- (iii) A Company
- (iv) A Firm
- (v) All the i, ii, iii & iv.

(c) Residential status of a person is to be determined with reference to a particular:

- (i) Assessment year
- (ii) Financial year
- (iii) Previous year
- (iv) Preceding year

(d) Income Tax is not applicable on :

- (i) House property
- (ii) Salary
- (iii) Capital gain
- (iv) Agricultural Income

(e) Give of Rs.50 lakh received from the employer is taxable under the head of:

- (i) Income from salary
- (ii) Income from business and profession
- (iii) Income from other sources
- (iv) Income from capital gain

(f) Standard deduction under section 16(ia) has been introduced from the Assessment Year:

- (i) 2019-20
- (ii) 2018-19
- (iii) 2020-21
- (iv) 2021-22

(g) In determination of the Gross Annual Value of a house property (letout); which is not considered ?

- (i) Annual Rent/Actual Rent
- (ii) Fair Rent
- (iii) Municipal Value
- (iv) Rental Value

(h) Indexation of the cost of capital asset is required to be done in case of:

- (i) Short term capital Assets
- (ii) Long term capital Assets
- (iii) Medium term capital Assets
- (iv) Short and long term capital Assets.

(i) The maximum qualifying amount for deduction under section 80C is:

- (i) Rs.2,50,000
- (ii) Rs.1,50,000
- (iii) Rs.1,25,000
- (iv) Rs.2,00,000

(i) Online filing of Return of Income is used for :

- (i) GST Return
- (ii) Sales Tax Return
- (iii) Income Tax Return
- (iv) VAT

2. Answer the following questions (**any five**) :
2×5=10

- (a) Write in short the term Assessment year and previous year.
- (b) When an individual is considered resident and ordinarily resident in India ?
- (c) Write a short note on Agricultural Income under the Income Tax Act.
- (d) What do you mean by perquisite?
- (e) What is meant by Gross Annual Value of a House Property Letout?
- (f) Give the meaning of income from business and profession.
- (g) What do you mean by capital gain?

3. Answer the following questions (**any five**):
5×5=25

- (a) Discuss briefly how the residential status of an assessee affects his liability to Income Tax.

(b) Anjalu Raja who resides at Delhi, gets Rs.20,000 per month as basic salary. He received Rs.4,000 per month as house rent allowance during the previous year 2022-23. Rent paid by him is Rs.3,500 per month. He also draw the salary for 3 months as advance.

Ascertain the amount of taxable house rent allowance for the assessment year 2023-24

(c) Arun Lal purchased 1500 shares of the face value of Rs.10 each on 12-05-2017 at Rs.9 per share and paid Rs.1,200 as brokerage and other expenses. He sold these shares on 20-03-2022 @ Rs.16 per share and incurred Rs.1,800 as brokerage and other expenses. Fair market value of these shares on 31-01-2018 was Rs.11 each.

Compute his income from capital gain for the assessment year 2023-24.

(d) Explain the income chargeable to tax under section 28 under the head of 'profit and gains of business or profession'.

(e) Discuss the provisions of the Income Tax Act regarding set off and carry forward of losses.

(f) Write about treatment of dividend in the hands of shareholders under the heads of income from other sources.

(g) Explain the procedure of E-Filing of Returns of Income. Using webpage of Income Tax Department.

(h) Enumerate the Provisions of Income Tax Act, 1961 relating to 'Deduction of Tax at Source'.

(i) What is meant by annual value of a house property? How is it determined?

4. Answer **any two** of the following questions:
10×2=20

(a) Classify the assessee on the basis of their residential status. How are the residential status determined of the following :

- (i) Firm and Association of Persons
- (ii) Company

(b) What is meant by the Tax Rebates and relief under the Income Tax Act. Mention the procedures for calculating relief under section 89(i) when arrear salary is received, also state the rebate in respect of Securities Transaction Tax under section 88E.

(c) Mr. Ram Charan is the owner of a house property. Particulars regarding the house are as under :

Municipal Value of the house is
Rs.1,20,000

Fair Rent Rs. 1,50,000

Standard rent under the Rent Control Act Rs.1,40,000

The house property has been let for Rs.14,000 per month.

Municipal Tax paid during the year were Rs.16,000.

The house was vacant for one month during the previous year 2022-23.

Unrealised rent of the previous year 2019-20 Rs.30,000 was recovered during the previous year 2022-23.

Compute the income from house property for the Assessment Year 2023-24.

(d) Mr. Ranjalu is senior employee of a private limited company, furnishes the following particulars for the previous year 2022-23.

	Rs.
Basic Salary	4,00,000
Dearness Allowance (not considered for retirement benefit)	80,000
High cost of living allowance	15,000
Project allowance	18,000
Reimbursement of medical bill	53,600