

- N.B.** 1. All Questions are compulsory carrying 15 marks each.
2. Figures to the right indicate full marks allotted to the question

Q.1 (A) State whether following statements are True or False (Any 8) (8)

1. Perquisites received by employees are taxed as Income from other sources
2. Assessee means a person liable to pay tax on his income.
3. Residential status does not depend upon citizenship
4. Municipal tax is a deduction from Net Annual Value.
5. Life Insurance premium paid by employer of employee is a taxable perquisite.
6. Dividend from Indian company is exempt.
7. An Indian company need not always be resident in India
8. Entertainment allowance received by a non government employee is exempt from tax.
9. Gift from relatives are exempted from tax.
10. Advance salary received by an employee from the employer is not a part of gross salary.

(B) Match The Followings (Any 7) (7)

Column A	Column B
1. Infosys Technologies Ltd.	a. Income From Business And Profession
2. Depreciation As Per P & L A/C	b. Long Term Capital Assets
3. Person Of Indian Origin	c. Local Authority
4. Personal Assets	d. 30% of Net Annual Value
5. Malvany Gram Panchayat	e. Not Allowed As Deduction
6. Cost Inflation Index	f. Exempt
7. Standard Deduction Under Income From House Property	g. Company
8. Salary To Partner From Partnership Firm	h. Only First Basic Condition
9. Salary To MPs And MLAs	i. Not A Capital Assets
10. Agricultural Income	j. Association of Persons
	k. Income From Other Source

Q.2 Mr. C who is currently employed with JSM Ltd furnishes you with the following information:

1. Basic salary per month Rs. 5000
2. Dearness allowance per month 25% of Basic Salary
3. Profession tax deducted per month Rs. 120
4. Taxable conveyance allowance Rs. 3500
(Expenses on conveyance Rs.1000)
5. Bonus @ 20% on basic plus dearness allowance
6. Entertainment Allowance Rs.4000

7. Medici claim premium paid by employer on behalf of Mr. C Rs. 2800
Calculate the Net Taxable Salary for A.Y.2016-17.

(15)

OR

Q.2 From the following Profit and Loss A/c of Mr. Sunil for the year ending 31.03.2016
Calculate income from Business (15)

Particulars	Rs.	Particulars	Rs.
To Office Salaries	15,000	By Gross Profit	1,30,000
To General Expenses	8,500	By Interest on Bank Deposits	11,700
To Interest on Capital	3,000	By Agricultural Income in India	1,00,000
To R.D.D	5,000		
To Depreciation	15,000		
To Advertisement	9,000		
To Fire Insurance Premium	1,200		
To Donation	5,000		
To Income Tax	4,000		
To Sales Tax	5,000		
To Penalty	3,000		
To Net Profit	69,000		
	1,42,700		1,42,700

Additional Information:

1. Depreciation as per income Tax Act was Rs. 10,000
2. Penalty paid is for contravention of MVAT Act, 2002
3. Advertisement includes Rs.2,500 as advertisement in a souvenir of a political party.

Q.3. Miss. Pranjali owns 4 houses let to different tenants, details of which are as follows.
Determine the Income from House Property.
(15)

Particulars	1	2	3	4
Municipal Valuation	90,000	90,000	90,000	90,000
Fair Rent(Rent of similar property)	1,40,000	1,10,000	1,10,000	1,40,000
Standard Rent	1,20,000	1,20,000	1,20,000	1,20,000
Actual rent per month	12,000	8,000	12,000	Self
Months Let Out	12	12	12	Occupied

OR

Q.3 a) Miss Poonam purchased a residential house on 01-06-1979 for Rs.1,00,000. She incurred expenses of Rs. 50,000 towards cost of improvement on 02-07-1983. The fair market value of the house on 01-04-1981 was Rs 1,50,000. She sold the house on 10-10-2015 for Rs.30 lakhs. The cost inflation j index for F. Y.1981-82 is 100, for F. Y.1983-84 is 116 and for F. Y. 2015-16 is 1024. You are required to compute her Capital Gain for Assessment year 2016-17.

Q.3 b) Mr. Vaibhav has earned the following income during the previous year ended 31st March, 2016.

(1) Professional Fees received in India	Rs. 18,000
(2) Payment received in U.K. for services rendered in India	Rs. 16,000
(3) Income from business in Australia, controlled from India	Rs. 14,000
(4) Income from Agriculture in Bangladesh	Rs. 12,000
(5) Dividend from a foreign company received in U.K.	Rs. 10,000
(6) Amount brought into India out of the past untaxed profits earned in U.S.A.	Rs. 18,000

Compute his total Income assuming :

- (i) A Resident (ii) A Resident but not ordinary Resident (iii) A Non-Resident.

Computation of Income for the assessment year 2016-17

(7)

Q.4 Miss Aliya is a U.S.A. citizen. She came to India on September 15, 2015 for a visit and was in India till 31st March, 2016. In earlier previous years, she is in India as under:

Previous Year	Days
2005-06	188
2006-07	190
2007-08	185
2008-09	200
2009-10	40
2010-11	300
2011-12	195
2012-13	185
2013-14	100
2014-15	200

Find out the residential Status of Miss. Nikita for the Assessment Year 2016-2017 assuming that she is not a person of India Origin.

(15)

OR

Q.4 Mr. Sameer, Proprietor of S and Co. furnishes you the following information for the year ended 31-3-2016

Profit and Loss Account for the Year ended 31st March, 2016

Debit	Rs.	Credit	Rs.
To Salaries	3,60,000	By Gross Profit	7,65,000
To Salary to Proprietor	24,000	By Dividend from Bank of India	8,000
To Office Expenses	18,000	By Dividend from N.K.G.S.B. Co-operative Bank Ltd.	2,000
To Staff Welfare	30,000	By Interest on Fixed Deposit with Bank of India	12,000
To Wealth Tax	3,000		
To Provision for Bad Debts	5,000		
To Mediclaim Premium	18,000		
To Depreciation	19,000		

P.T.O.

To Life Insurance Premium	30,000		
To Net Profit	2,80,00		
	7,87,000		7,87,00

Additional Information:

(a) Depreciation as per Income Tax Rules Rs. 21,000.

(b) Medclaim Premium was paid in cash.

You are required to compute her total Taxable Income for the Assessment Year 2016-17.

Q.5 Short Notes (Any 3)

1. Leave Salary
2. Additional Conditions u/s 6(6)
3. House Rent Allowance
4. Investment U/s 80C
5. Person

— The End —

munotes.in