

**Q.1. A) Choose the correct option and rewrite the statements (Any 8)****(08 marks)**

- Income Tax extends to \_\_\_\_\_  
a) whole of India      b) India and Pakistan      c) whole of Maharashtra
- Income tax is a tax on \_\_\_\_\_  
a) goods      b) Services      c) Income
- Uncommuted pension received by a government employee is \_\_\_\_\_  
a) Exempt      b) Taxable      c) 1/3 exempt
- Deduction on account of entertainment allowance is allowed to \_\_\_\_\_  
a) Non-government Employee      b) Government Employee      c) Both A & B
- The term income includes \_\_\_\_\_ income  
a) Legal      b) Illegal      c) Both A & B
- Deduction under section 80C and 80CCC is allowed to the maximum of \_\_\_\_\_  
a) Rs. 50,000      b) Rs. 1,50,000      c) Rs. 1,00,000
- As per section 24, standard deduction allowable on let out house property is \_\_\_\_\_  
a) Rs. 30,000      b) actual amount spent on repairs      c) 30% of NAV
- Platinum metals necklace is \_\_\_\_\_ asset  
a) Current      b) Fixed      c) Capital
- The legal status of Ms Hima Das, Indian sprint runner is \_\_\_\_\_  
a) an individual      b) a body of individuals      c) a sportsman
- Deduction u/s 80CCC in respect of contribution to Pension Fund is allowed to \_\_\_\_\_  
a) an individual      b) all assesseees      c) individual and HUF

**Q.1 B) State whether the following statements are true or false (Any 7)****(07 marks)**

- Previous year can be more than 12 months
- There are total five heads of income
- Gift received from father is taxable
- Section 80U is applicable to all individuals
- Royalty is taxable under the head income from other sources
- Income received from smuggling activity is income as per Income Tax Act.
- Entertainment Allowance received by Government Employee is fully taxable.
- Agricultural income derived from cultivation of land in India is exempt from tax.
- Municipal taxes are deductible from the Gross Annual Value only when they accrue.
- Income from self occupied property is either nil or negative.

**Q.2 A) Mr Balaji an Indian citizen and a professional cricketer toured South Africa, Australia, U.K., West Indies and Zimbabwe on various dates. The details of departure from and Arrival To India are as under**

Country	Date of Departure	Date of Arrival
South Africa for the first time	01-03-2020	25-03-2022
Australia	15-04-2022	01-05-2022
U.K.	05-05-2022	11-07-2022
West Indies	31-08-2022	14-09-2022
Zimbabwe	01-01-2023	23-03-2023

**Determine his residential status for the assessment year 2023-24. Give your workings and explanation.**

**(15 marks)****OR**

**Q.2 B) From the following information of Mr Vijay for the previous year 2022-23 compute the gross total income from the assessment year 2023-24 if he is:**

- resident and ordinary resident
- resident but not ordinary resident
- non resident

**(15 marks)**



Income	Rs.
1. Income from business in Dubai, controlled from London	50,000
2. Rent from house in UK received in Spain	60,000
3. Income earned in New Zealand in the past, but brought to India during the current previous year	70,000
4. Dividend from German company, received in London	80,000
5. Income from agriculture in Japan received in India	90,000
6. Royalty from a company in Indonesia, received in Russia	1,00,000
7. Interest credit to HSBC Bank, New York branch	1,10,000
8. Income from profession in Bhutan, received in Bhutan (Profession was set up in India)	1,20,000

**Q.3 A)** Mr. G receives the following emoluments during the previous year ending 31<sup>st</sup> March 2023

Basic Pay Rs. 4,00,000

Dearness allowance Rs. 1,50,000

Commission Rs. 1,00,000

Entertainment allowance Rs. 40,000

Medical expenses reimbursed Rs. 10,000

Professional tax paid Rs. 3,000. (Rs. 2,000 was paid by his employer)

Mr. G contributes Rs. 50,000 towards recognised provident fund. He has no other income. Determine the income from salary for assessment year 2023-24, if Mr G is a State Government Employee.

(15 marks)

OR

**Q.3 B)** From the following profit and loss account of X for the year ending 31<sup>st</sup> March, 2023 compute his business income

(15 marks)

Particulars	Rs.	Particulars	Rs.
To office salaries	15,000	By gross profits	1,30,000
To general expenses	8,500	By interest on Bank deposits	4,100
To interest on capital of X	3,000	By interest on company deposits	7,600
To bad debts reserve	5,000	By refund of income tax for A.Y. 2019-20	1,000
To depreciation	15,000		
To advertisement	9,000		
To fire insurance premium	1,200		
To donation	5,000		
To advance income tax	4,000		
To GST paid	5,000		
To Income tax for 2021-22	3,000		
To Net profit	69,000		
	1,42,700		1,42,700

Following additional information is given:

- Allowable depreciation was Rs. 10,000.
- General expenses include furniture purchased worth Rs 2,500.
- Office salaries include salaries paid to Mrs X Rs. 3,000. Mrs X, B.Com writes the accounts of business.
- Advertisement includes Rs. 2,500 for the advertisement in Souvenir of a political party.

**Q.4 A)** Mr. Martin sold his Residential House Property on 08-06-2022 for Rs. 80 Lakhs which was purchased by him for Rs. 20 lakhs on 05-05-2005. He paid Rs. 1 lakh as brokerage for the sale of said property. He bought another House Property on 25-12-2022 for Rs. 10 lakhs. He deposited Rs. 10 lakhs on 10-11-2022 in the Capital Gain Bond of National Highway Authority of India (NHAI).



Compute Income under the head "Capital Gains" for A.Y. 2023-24 as per Income Tax Act 1961. Cost Inflation Index for Financial Year 2005-06 = 117 and 2022-23 = 331. (08 marks)

**Q.4 B)** Mrs. Batliboi is a professor of law in M.K. College. The particulars of her income for the year ending 31-03-2023 are as follows:-

- i) Salary- Rs. 32,000
- ii) Royalty from books- Rs. 25,000. Expenses on typing were Rs. 2,000
- iii) Honorarium received from a Management Institute as a visiting lecturer- Rs. 3,000. Conveyance for visiting the institute- Rs. 200
- iv) Examinership fees from the University of Mumbai- Rs. 1,000
- v) Family Pension of Rs. 42,000 on death of her husband from his employer.
- vi) She received the 'Dronacharya Award' of Rs. 10,000 for the 'Best Teacher of the Year' from the State Government.

Calculate his Income from other sources.

(07 marks)

OR

**Q.4 C)** Mr. Anshuman Bansode works with the Government of Maharashtra. He gives you the following information for the year ended 31<sup>st</sup> March, 2023. (15 marks)

Particulars	Rs.
Basic salary (Gross)	3,00,000
Dearness allowance	1,45,500
House rent allowance (exempt u/s 10 Rs. 30,000)	60,000
Entertainment allowance (amount spent on entertainment Rs. 12000)	12,000
Conveyance allowance (amount spent on conveyance for official purposes Rs. 28,000)	4,800
Areas of salary (not taxed earlier)	2,00,000
Profession tax deducted from salary	2,500
Employees Provident Fund deducted from salary	30,000

Other information:

Received Rs. 2,00,000 from LIC of India as maturity value of life insurance policy taken on his life. He had taken a loan from State Bank of India for higher education of his daughter pursuing an engineering degree course of Delhi University. During the year he had paid Rs. 50,000 as principle and Rs. 70,000 as interest. Compute his taxable income for the assessment year 2023-24.

**Q.5 A)** Discuss the provisions of Income Tax Act, 1961 regarding residential status of an individual (08 marks)

**Q.5 B)** List the various deductions u/s 80C (07 marks)

OR

**Q.5 C)** write short notes on (Any 3) (15 marks)

1. Gratuity
2. Explain the term Person and Assessment Year
3. Deductions under the Head of Salary
4. Deductions u/s 80U of Chapter VI A
5. Income from other sources.