

Q.1 State whether True or False. (Any 8)**(8Marks)**

- 1) Previous Year always indicates a period of twelve months
- 2) Standard Rent is a deduction from Net Annual Value.
- 3) Kunal has two house properties. Both are self occupied. The annual value of both houses shall be Nil.
- 4) Depreciation is allowed in case of tangible assets only.
- 5) Capital Gain arises from the transfer on any asset.
- 6) Any sum received by an employer from keyman insurance policy taken on the life of the employee shall be exempt.
- 7) Trade Mark or brand name is treated as capital assets for capital gain purposes.
- 8) Indian income of a non-resident is not taxable at all.
- 9) Deduction under Section 80C in respect of tuition fees is allowed to an individual.
- 10) Every person has to pay Income Tax.

(B) Fill in the Blanks. (ANY 7)**(7 Marks)**

- 1) The cost of inflation index number of the previous year 2001-2002 is
(a) 213 (b) 100 (c) 317 (d) 200
- 2) To be a long term capital asset, a residential house property should be held for more than
(a) 12 months (b) 24 months (c) 36 months (d) 60 months
- 3) Net Annual value of one house is Rs.3, 00,000 and actual expenditure incurred on repairs is Rs.75000. Income from House property is
- 4) Dividends declared by Unit Trust of India is
(a) Fully Taxable (b) Fully Exempt (c) taxable but deduction allowed (d) Partially Exempt
- 5) Any activity carried on with a view to earn profit is called
(a) Commerce (b) Trade (c) Business. (d) All of these
- 6) The payment for Insurance premium under section 80D should be
(a) in cash (b) By any mode other than cash (c) both(a) & (b) (d) None of these
- 7) Agricultural income from Nepal is taxable under the head
(a) Income from House Property (b) Income from Salaries (c) capital Gains (d) Income from other Sources

8) Municipal value Rs.90, 000, interest on loan paid Rs.140, 000,(loan taken on 25-05-2014).Municipal taxes paid Rs.30,000.The entire house remained self occupied throughout the previous year.Net Annual value is.

- (a) Rs 90,000 (b) Rs 100,000 (c) Rs 140,000 (d) Negative Rs 140,000

9) Residential status is to be determined for

- (a) Previous Year (b) Assessment Year (c) Accounting year (d) none of these

10) The deduction under section 80 E is allowed for repayment of interest to the extent of

- (a) Rs.50, 000 (b) Rs.100,000 (c) Rs.30,000 (d) Actual interest paid during the year

Q.2.(A) Mr.Rajnikant gives you the following information for the year ended 31st March 2022.

Profit & Loss Account for the year ended 31-03-2022. (15Marks)

Expenses	Amount	Income	Amount
To Salaries to staff	200,000	By Gross Profit	10,00,000
To salary to Mr Rajnikant	60,000	By Winning from Horse racing	1,00,000
To General Expenses	1,50,000	By internet on PPF Account	40,000
To Conveyance	70,000	By Dividend from Co-operative Bank	20,000
To Rent of Premises	100,000	By Old Debts recovered	38000
To Fire Insurance Premium	27000		
To Reserve for doubtful Debts	20,000		
To Income Tax	15,000		
To Contribution to PPF	50,000		
To Depreciation	70,000		
To Net Profit	4,36,000		
	11,98,000		11,98,000

Other information:

1. Depreciation allowance under Income Tax Rules is Rs 60,000.
2. General Expenses include Rs.10, 000 for gifts to staff and Rs.20, 000 for LIC Pension Plan Premium.
3. Old debts in respect of which recovery is made were not allowed as deduction in the past, though they were written off in books
4. Compute his total taxable income for Assessment Year 2022-23 .

OR

Q.2. (B). Mr. Swastik sold on 10-06-2021 his residential House in Nashik for Rs.75, 00,000. It was purchased on 07-07-2003 for Rs.700, 000. Expenses on transfer amounted to Rs.120, 000. Mr. Swastik incurred expenses on improvement on old house in financial year 2005-06 of Rs.140,000. He invested Rs.25,00,000 for purchase of new residential House on 31-10-2021. You are required to compute Net Capital Gains for the Assessment year 2022-23.

Relevant cost inflation indices are as follows:

2003-04- =109, 2005-06=117, 21-22 =317.

Q.3.(A) Mr. Zaid Khan works with the Government of Maharashtra. He gives you following information for the year ended 31st March 2022. **(15Marks)**

Basic Salary (Gross) 500,000 per annum

Dearness Allowance 145,500 per annum

House Rent Allowance (exempt u/s 10 Rs.40,000) 80,000 per annum

Entertainment Allowance (amount spent on entertainment Rs.10,000) Rs.10,000 per annum

Conveyance Allowance Rs. 48,000 per annum

(amount spent on conveyance for official purposes Rs.28,000)

Arrears of Salary (not taxed earlier) Rs. 200,000

Profession tax deducted from Salary Rs. 2,500 per annum

Employee provident Fund deducted from Salary Rs.30,000 per annum.

Compute his taxable income for the Assessment year 2022-23

OR

Q.3.(B). Kiran Raut, a citizen of USA has been staying in India since 1999. He leaves India on 16th July 2021 on a visit to USA and returns on 4th January 2022. Determine his residential status for the Assessment Year 2022-23. **(8Marks)**

Q.3.(C). From the following income of Mr. Suresh for the previous year 2021-22. Compute Gross total income for the assessment year 2022-23 if he is: Non-Resident of India. **(7Marks)**

- (1) Profits from business in UK managed from India 30,000
- (2) Royalty from India Company received in UK 20,000
- (3) Rent from house in UK received in Spain 80,000
- (4) Dividend from British company received in Mumbai 50,000
- (5) Interest credited to Bank of India, Delhi Branch 50,000
- (6) Income earned in Brazil in the past but brought to India during the year. 60,000

(7) Income accrued in Chicago and received in London 70,000

Find out the total income taxable in India for Assessment Year 2022-23.

Q.4.(A). Mr.Arjun Rampal gives you following information for the previous year 2021-22. (15Marks)

Particulars	House 1 (SELF OCCUPIED)	House 2 (LET OUT)
1. Municipal Valuation (per month)	24,000	24,000
2. Rent Received (per month) (House 2 was vacant for 3 months)	NIL	25,000
3. Municipal Taxes paid by owner	25000	25,000
4. Interest of Housing Loan (Loan taken after 1-4-2010)	200,000	5,000 200,000

Compute the income from house Property for the Assessment Year 2022-23.

OR

Q.4.(B) Mrs.Bharti Bangera gives you following information for the previous year 21-22. (15 Marks)

Particulars of owned House	House No.1(self-occupied) Rs	House No.2(Let Out) Rs
Municipal Valuation (per month)	25000	25000
Rent Received (per month) (House No.2 was vacant for two months)	Nil	28000
Municipal Taxes:		
Outstanding on 31-03-22	12000	14000
Other Expenses:-		
Maintenance Charges	6000	6000
Interest on borrowed Capital (Both loans taken after 1-4-99)		
Paid during the year	30,000	36000
Outstanding on 31-03-22	6000	Nil

Computer her Total Income from House property for the Assessment Year 2022-23.

Q 5.(A) State any eight income chargeable to tax under the head "income from other sources".

(8Marks)

(B) Explain the provisions relating to Deduction under section 80D.

(7Marks)

OR

Q.5.Short Notes (Any 3).

(15Marks)

- 1) Resident and Ordinary Resident
- 2) Exemption of Gratuity u/s 10(10)
- 3) Short term Capital Gain
- 4) Assessment Year
- 5) Deduction under Section 80U

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