

B.B.A.(with Credits)-Regular-Semester 2012 Sem. V
BBA345 - Income Tax

P. Pages : 4

Time : Three Hours



GUG/W/16/2933

Max. Marks : 80

- Notes : 1. All questions are compulsory.
2. All questions carry equal marks.

1. a) Give the introduction of five heads of Income. 8
b) Distinguish between capital receipts & revenue receipts. 8

OR

- c) How is residential status of Individual decided? 8
d) Explain the income exempt from tax. 8
2. a) Mr. Suresh Bele is employed in a company in a Mumbai received the following salary. 8
Perquisite's from his employer during the previous year 2015 – 16.
1. Basic Pay ₹ 16,000 p.m.
 2. He also gets D.A. at 20% of his basic pay.
 3. House rent allowance of ₹ 2500 p.m.
 4. Entertainment allowance of ₹ 700 p.m.
 5. Wardens allowance of ₹ 800 p.m.
 6. Free medical treatment was availed by him and his family member in a hospital owned by the company. The cost of such treatment in any other hospital would have been ₹ 20,000.
 7. He owns a car which he used for office and private purpose. The running and maintenance expenses of the car are paid by the company ₹ 5,000.
 8. Mr. Suresh is paying ₹ 3,000 p.m. as house rent.

Compute taxable income from salary of Mr. Suresh for the A. Y. 2016 – 17.

- b) Mr. Mahesh executive officer in a company in Pune. (population above 25,00,000) for the 8
year ended 31st March 2016. He furnished the following particular of his income.
1. Basic Pay ₹ 13,000 p.m.
 2. Dearness Allowance ₹ 3120 p.m.
 3. Entertainment allowance ₹ 1500 p.m.
 4. Commission ₹ 5000.
 5. Bonus ₹ 10,000.
 6. The company has provided a rent free unfurnished accommodation of the annual rent paid by company of ₹ 40,000. The cost of furniture is ₹ 22,000.

Compute this income from salaries for the A.Y. 2016 – 17.

OR

- c) Mr. Ram Patil is Sales Manager of Texmo Company Ltd. Kolkata. He furnished the following particulars regarding his the taxable salary for the A.Y. 2016 – 17. 16

- 1) Basic Salary ₹ 15,500 p.m.
- 2) Dearness allowance ₹ 2600 p.m.
- 3) As a member of R.F.F. contributed 15% of his salary to fund and his company contributed equal amount.
- 4) Invest of ₹ 15000 calculated at 10.5% was credited to the P.F. A/c.
- 5) He has provided a motor car owned by the company for official and personal use. The maintenance and running exp. of the car were ₹ 22000 paid by the company.
- 6) Life Insurance Premium paid ₹ 8000 by the company on a policy of the assesses.
- 7) The company has provided him free water and electricity the exp. of which amounted to ₹ 10,000 were paid by the company.
- 8) The company also provided him free service of a sweeper and cook whose salary ₹ 1100 p.m. each have paid by the company.
- 9) The company paid his club bill ₹ 15000.
- 10) The company provide him rent free house owned by company the annual fair rental value is ₹ 3500.

Compute his Taxable salary.

3. a) You are required to compute the income under the head of income from House property for the previous year 2015 – 16 by using following information. 8

Municipal value ₹ 1,90,000
Fair rental value ₹ 1,95,000
Standard Rent ₹ 1,70,000
Actual Rent ₹ 1,75,000
Actual Repair ₹ 36,000

unrealised rent (all condition satisfied) for the previous year 2015 – 16 ₹ 30,000.
Invest on borrowed capital ₹ 36000 municipal taxes (paid) ₹ 38000.

- b) Mr. R. owns two storied building at Nagpur. Ground floor is self occupied and the first floor let out W.E.F. 1-6-2015 at ₹ 3500 p.m. The municipal value of the property is ₹ 55000 and taxes paid are ₹ 4500. Invest paid on borrowed capital is ₹ 25000. Compute income from house property both floors are identical. 8

OR

- c) Basant Kumar is the owner of a residential property construction of which was completed on 1-3-2014. 8
other details are as under

Municipal value	₹ 40,000
Municipal taxes	₹ 4,180
Ground Rent (due)	₹ 200
Insurance (paid)	₹ 180
Invest for 2015 – 16	₹ 2,000
Invest accrued up to 31 – 3 – 2013 (on money borrowed for construction)	₹ 6,000

Invest on mortgage loan (used for daughter marriage) ₹ 18,000. House was let out at a monthly rent ₹ 6,000 (including monthly rent of ₹ 500 for furniture) from 1st April 2015 and remain vacant from 1st Feb. 2016 onwards. Compute income chargeable to tax under the income from house property.

- d) Mr. Varma is the owner of a house property in Kanpur it has been let out for ₹ 1,90,000 p.a. The municipal tax payable by the owner comes to ₹ 16,800 on Municipal valuation of ₹ 16,800 p.a. The landlord incurs the following expenses.

Water charges	₹	2,000
Lift maintenance	₹	2,000
Salary of Gardner	₹	2,400
Lighting of Stairs	₹	1,600

Compute the taxable income from house property.

4. a) Shri. Rohan is a Business man dealing in cloth on 1st April 2015 the position of his investments was as under. 8

- 1) ₹ 48,000; 7½% Govt. of India loan.
- 2) ₹ 72,000, 9% (tax free) Debentures. Birla Juti Mills Ltd. (listed)
- 3) ₹ 10,000, 12% Debentures of Arya company Ltd.
- 4) ₹ 50,000, 7% Rajasthan Govt. Loan.
- 5) ₹ 20,000, 7% Capital Investment Bonds.

Calculate the income under the head of Income from other sources.

- b) Mrs. Jayshree had following income during the previous year 2015 – 16. 8
Compute her income from other sources for the A.Y. 2016 – 17

- 1) Directors meeting fees ₹ 3,000
- 2) Agriculture income (land situated in India) ₹ 10,000
- 3) Agriculture Income (land situated in Nepal) ₹ 15,000
- 4) Invest
 - i) On Bank F.D.R (net) ₹ 10,740
 - ii) On Govt. Securities ₹ 1,200
 - iii) On P.P.F. deposits ₹ 4,000
 - iv) N.S.C. (viiith issue) ₹ 3,000
- 5) Dividend ₹ 9,800.
- 6) Lottery winning after TDS ₹ 30,825
- 7) Rent from sub – letting of a flat ₹ 15,000

If rent paid to landlord is ₹ 6,000 and exp. on realisation of sub letting rent is ₹ 600. Calculate income from other sources.

OR

- c) From the following particulars of Mr. Sunil for the previous year ended 31st March, 2016. 8
Compute his income from other sources.

- 1) 10% Tax Relief Bond ₹ 1,00,000.
- 2) 12% Bonds of Industrial Development Bank of India ₹ 2,00,000.
- 3) 12%, ₹ 1,000 debentures of ABC Ltd. listed on Ahmedabad stock exchange purchased at ₹ 96 each (face value ₹ 100)
- 4) 10% dividend on prof. shares of ₹10 each amounting to ₹ 1,50,000 paid on 31-3-2016.
- 5) Invest (net) on listed debentures ₹ 46,696.
- 6) Dividend on shares of foreign company (gross) ₹ 13,000.
- 7) ₹ 40,000, 9% Bihar Govt. Loan.
- 8) ₹ 10,000 as a deposit at 9% with a Co. operative society.

- d) Compute income from other sources of Mr. Pankaj for A.Y. 2016 – 17. 8
- 1) He owns an agriculture land in Pakistan from which he earned an income of ₹ 21,000.
 - 2) He has a building near agricultural land in a village near Nagpur. It is let out for ₹1000 p.m. and used for storing agricultural equipment and for supervision of agricultural work.
 - 3) He let out a plot of land for ₹ 2,000 p.m.
 - 4) He has received an amount of ₹ 1,40,000 as Lottery prize.
 - 5) 8% tax free relief bond of R.B.J. ₹ 1,00,000.
 - 6) Invest (net) on listed debentures ₹ 20,000.
 - 7) Dividend on shares of foreign company (gross) ₹ 15,000.
 - 8) ₹ 20,000, 6.5% Central Govt. Loan.

5. Write short notes.

- a) Previous & Assessment year. 4
- b) Rules for Residential status. 4
- c) Income exempt from House property. 4
- d) Meaning of TAN. 4
