

D 50022

(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION
NOVEMBER 2023**

B.Com.

BCM 5B 09—INCOME TAX LAW AND ACCOUNTS

(2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A*This part consists of **two** bunches of questions carrying equal mark 1.**Each bunch consists of **five** objective type questions.**Answer **all** questions.*

(A) Fill in the Blanks :

- 1 Income from a farm house is _____ income.
- 2 Standard deduction from salary income is _____.
- 3 The annual value of a self occupied house will be _____.
- 4 Audit is compulsory if the total receipts from profession exceeds _____.
- 5 Rate of tax on long term capital gain is _____.

(B) Choose the correct answer from the bracket :

- 6 Income Tax act was passed in the year _____.
 - a) 1961.
 - b) 1962.
 - c) 1965.
 - d) 1985.
- 7 Entertainment allowance is deductible in the case of :
 - a) All employees.
 - b) Government employees.
 - c) Private employees.
 - d) None of these.
- 8 Interest for pre-construction period is deductible in _____.
 - a) Five years.
 - b) Three years.
 - c) Two years.
 - d) One year.

Turn over

- 9 The following is an expense allowed :
- a) Provision for income tax.
 - b) Provision for gratuity.
 - c) Sales tax paid.
 - d) Wealth tax paid.
- 10 Sale of depreciable assets will have :
- a) Long term capital gain.
 - b) Short term capital gain.
 - c) Long term or short term capital gain.
 - d) None of these.

(10 × 1 = 10 marks)

Part B

*Answer any **eight** questions in one or two sentences each.
Each question carries 2 marks.*

- 11 What is meant by assessment year ?
- 12 What is PPF ?
- 13 Who is an Assessee ?
- 14 Who is a specified employee ?
- 15 What is capital asset ?
- 16 What is composite rent ?
- 17 Explain block of assets ?
- 18 What is co-owners under income from house property ?
- 19 Explain the meaning of business as per income tax act ?
- 20 What is transfer of capital asset ?

(8 × 2 = 16 marks)

Part C

*Answer any **six** questions.
Each question carries 4 marks.*

- 21 What is meant by exempted income ? Write any *six* incomes which are treated as exempted.
- 22 Mr. Aron a Canadian citizen came to India for the first time on 12th February 2019. He stayed in India up to 18th January 2021 and went back to Canada. Determine his residential status for the previous year 2020-21.

- 23 Compare the provisions regarding tax treatment of gratuity, if gratuity act is applicable and not applicable ?
- 24 Written down value of furniture on 1.4.2020 is Rs. 1,30,000. Furniture purchased on 1.08.2020 is Rs. 70,000. Furniture purchased on 8.01.2021 is Rs. 40,000. Compute depreciation on furniture for the assessment year 2021-22 ?
- 25 Explain unrealised rent as per rule 4?
- 26 Distinguished between long-term capital gain and short-term capital gain ?
- 27 How will you calculate income from profession?
- 28 Mr. Regu owns a residential house which he acquired in July 2011 for Rs. 4,30,000. He sold the house in January 2021 for rupees 35,70,000 and acquired a house in July 2021 at a cost of rupees 25,00,000 and deposited Rs. 2,00,000 in a capital gains accounts scheme, compute taxable capital gain if CII of 2011 -12 is 184.

(6 × 4 = 24 marks)

Part D

Answer any two questions.

Each question carries 15 marks.

- 29 What is meant by allowances ? Explain the various types of allowances ?
- 30 The following are the details of Mrs Rakhi who owns three houses. Compute income from house property :

	A	B	C
Nature of occupation	let out	let out	self occupied
Municipal Value	80,000	15,000	26,000
Fair rent	78,000	16,000	28,000
Monthly rent	7,000	1,500	—
Municipal tax	3,000	800	10,000
Interest on loan	12,000	—	15,000
Vacancy	2 months	—	—

Turn over

- 31 The following are the particulars of Mr Anish an employee in a company in Bhopal (population exceeds 25 lakhs). He is drawing rupees 40,000 per month as salary and dearness allowance @ 20 % of his salary. He is also getting City compensatory allowance of rupees 4,000, medical allowance of rupees 6,000, bonus Rs. 16,000 and commission rupees 4,000. He is provided with a rent free unfurnished house owned by the employer of the fair rental value of rupees 60,000 per annum. He is provided free of charge a sweeper and a cook whose wages are Rs. 300 and Rs. 700 pm respectively and a gardener whose wages are Rs. 250 p.m. He is also given free electricity for personal use for which the employer has paid rupees 6,000 during the year to electric supply company, compute his taxable salary for the assessment year 2021-22.

(2 × 15 = 30 marks)

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(2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes**Total No. of Questions : 20****Maximum : 20 Marks****INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

BCM 5B 09—INCOME TAX LAW AND ACCOUNTS

(Multiple Choice Questions for SDE Candidates)

1. Previous year started from _____.
(A) April. (B) March.
(C) January. (D) September.
2. Section 10 of Income Tax Act deals with _____.
(A) Deductions. (B) Exempted incomes.
(C) Income from salary. (D) Casual incomes.
3. What are the exemption limit in Hostel Expenditure Allowance ?
(A) Rs. 200 p.m. (B) Rs. 300 p.m.
(C) Rs. 400 p.m. (D) Rs. 500 p.m.
4. Due date of filing of return by a non business assessee is _____.
(A) 30th June. (B) 31st August.
(C) 31st July. (D) 30th November.
5. Family pension received by the widow of a deceased employee is taxable under the head _____.
(A) Income from salary.
(B) Capital gains.
(C) Profits and gains of business or profession.
(D) Income from other sources.
6. An individual who wants to be resident of India must stay in India for at least _____.
(A) 730 days in 10 previous years. (B) 182 days in the previous year.
(C) 365 days in the previous year. (D) 150 days in the previous year.
7. Income received in India is taxable in the hands of _____.
(A) Resident only. (B) Resident and ordinarily resident only.
(C) Non-resident only. (D) All assesseees.

8. Past untaxed income brought to India is taxable in the hands of _____.
- (A) Resident and not ordinarily resident.
(B) Resident and ordinarily resident.
(C) Non-resident.
(D) None of these.
9. Incomes on which Income tax is not charged are called _____.
- (A) Exceptional incomes. (B) Privileged incomes.
(C) Exempted incomes. (D) None of the above.
10. Value of rent free accommodation in case of Government employee shall be taxable up to _____.
- (A) 15 % of employees salary. (B) 7.5 % of employees salary.
(C) License fee fixed by Government. (D) 10 % of employees salary.
11. Free food provided to employees is exempted upto _____ per meal.
- (A) Rs. 40. (B) Rs. 50.
(C) Rs. 60. (D) Rs. 15.
12. Repairs incurred before installation of an assets is _____.
- (A) Capital expenditure. (B) Revenue expenditure.
(C) Non business expenditure. (D) None of these.
13. Rate of depreciation on non residential building is _____.
- (A) 10 %. (B) 15 %.
(C) 20 %. (D) 25 %.
14. Under section 44AB 'specified date' means, _____.
- (A) 30th June. (B) 30th September.
(C) 30th November. (D) 31st December.

Turn over

15. Which of the following income from other sources is not taxable ?
- (A) Dividend from co-operative society.
 - (B) Dividend from foreign company.
 - (C) Dividend from domestic company.
 - (D) Winnings from lottery.
16. Tax is reduced from casual incomes at _____.
- (A) 10 % + surcharge and cesses.
 - (B) 20 % + surcharge and cesses.
 - (C) 30 %.
 - (D) None of these.
17. Which of the following is not a capital asset ?
- (A) Stock in trade.
 - (B) Goodwill.
 - (C) Agricultural land in Mumbai.
 - (D) Jewellery.
18. Donation is deductible u/s _____.
- (A) 80 C.
 - (B) 80 D.
 - (C) 80 E.
 - (D) 80 G.
19. Which among the following deduction is available only to disabled persons ?
- (A) 80 C.
 - (B) 80 G.
 - (C) 80 Q.
 - (D) 80 U.
20. When a loan is taken for the education of a child, the father is entitled to deduction u/s ?
- (A) 80 C.
 - (B) 80 G.
 - (C) 80 E.
 - (D) 80 U.