



Sl.No.

Total No. of Pages : 7

III Semester B.Com. Examination, March/April - 2023

(Scheme : CBCS) (2018-19&2019-20)

INCOME TAX - I

Time : 3 Hours

Max. Marks : 80

*Instruction: Answer all the parts.***PART - A**

Answer any four of the following questions. Each question carries 5 marks.

[4 × 5 = 20]

Q1) Define the term person u/s 2(31).**Q2)** Write any five exempted incomes u/s 10.**Q3)** Write a note on Assessment year and previous year.**Q4)** Rani, an Indian citizen, is living in Mysore since 1980, left for Germany on August 11, 2016. She came back on August 6, 2021. Determine her residential status for the Assessment year 2022-23.**Q5)** Compute the Net Annual values from the following information.

	A	B	C	D
	₹	₹	₹	₹
Municipal value	6,00,000	4,80,000	3,60,000	96,000
Fair Rental value	7,50,000	6,00,000	4,50,000	1,16,000
Actual Rent	8,90,000	5,40,000	4,00,000	1,20,000
Standard Rent	-	7,20,000	4,20,000	1,15,000
Municipal taxes	60,000	48,000	36,000	9,600

Q6) Mr. Rohith is employed in a company at Bangalore (Population more than 25 lakhs). From the following particulars calculate taxable value of Rent Free Accommodation for the assessment year 2022-23.

Basic salary Rs. 25,000 p.m. Dearness Allowance 10% of basic salary C.C.A. Rs. 300 p.m.

Bonus one month's basic salary Taxable education allowance Rs. 400 p.m. entertainment allowance Rs. 4,000 p.a. He is provided with a house owned by the company. The value of furniture there in Rs. 2,50,000.

PART - B

Answer any three of the following questions. Each question carries 10 marks.

[3 × 10 = 30]

Q7) State the provisions of Income Tax Act 1961 regarding various provident funds.

Q8) Mr. Ranjan is getting a pension of Rs. 24,000 per month from a limited company.

During the previous year 2021-22 he got $\frac{2}{3}$ pension commuted and received ₹14,76,000. Compute exempted amount and taxable amount of commuted Pension, if

- He also receive gratuity.
- He did not receive gratuity
- What benefit he could have enjoyed, if he were to be the employee of government?

Q9) Calculate the amount of Depreciation u/s32 of the following data for the A.Y. 2022-23.

Block of Assets	WDV on 1.4.2021 ₹	Addition made on 1-1-2022 ₹	Rate of Depreciation
Factory Building	52,00,000	20,00,000	10%
Residential Building	15,00,000	4,00,000	5%
Machinery	40,00,000	16,00,000	15%
Computers	8,00,000	-	40%
Furniture	3,00,000	-	10%

A new machine was added during the p.y. 2021-22 and used for production purpose.
A part of factory building valued at ₹5,00,000 was destroyed by fire accident and the insurance company accepted the claim for ₹3,40,000.

Q10) From the following particulars of Smt. Rajani Compute Gross Total Income for the Assessment year 2022-23, it she is

- a) Resident
- b) Not ordinary resident
- c) Non-Resident
- i) Income earned in Srilanka received in Hassan ₹1,00,000
- ii) Dividend by an Indian company received outside India ₹20,000.
- iii) Income from business in Chennai controlled from U.K. ₹1,50,000
- iv) Income from salary received in Dubai for services rendered in Mysore ₹2,50,000.
- v) Income from Agriculture in Bellary received in Delhi ₹55,000.
- vi) Profit on sale of plant at Egypt ($\frac{1}{3}$ received in Bangalore) ₹1,50,000.
- vii) Income from a transfer of a long term capital asset in Paris ₹20,000.
- viii) Interest payable by Karnataka Government received in U.S.A. ₹1,40,000.
- ix) Gift received from her parents ₹16,000.
- x) Income from business in Germany controlled from Delhi ₹1,58,000.

Q11) Dr. Roopa, a practising doctor maintains her books on cash basis. Her receipts and payments a/c for the previous year ended 31st March 2022 is as follows.

Receipts	Amt.	Payments	Amt.
Balance b/d	1,02,000	Purchase of medicines	10,000
Loan from bank for private purpose	3,000	Surgical requirements	8,000
Sales of medicines	25,250	Motor car purchased	1,20,000
Consultation fees	1,55,000	Car expenses	6,000
Visiting fees	24,000	Salaries	4,600
Interest on Govt. securities	4,5000	Rent of dispensary	1,600
Gifts from patients	20,000	General expenses	300
Rent from House property	13,000	Personal expenses	1,11,800
Gifts from relatives	600	Life insurance premium	3,000
		Interest on Loan from Bank	300
		Insurance of property	200
		Income tax	10,000
		Balance c/d	71,550
	3,47,350		3,47,350

Compute her Income from profession for the Assessment year 2021-22 taking into account the following further information.

- $\frac{1}{3}$ of motor car expenses are in respect of her personal use.
- Depreciation allowable on the motor car and surgical equipment is @15%.
- Closing stock of Medicines ₹1,500.

PART - C

Answer any two of the following questions. Each question carries 15 marks.

[2 × 15 = 30]

12. Mr. Rajesh is working as a general manager of Raj Ltd., Bangalore. From the following information, compute his income from salary for the Assessment year 2022-23.

- i) Basic salary ₹40,000 p.m.
- ii) Dearness Allowance 50% of basic salary.
- iii) Entertainment allowance ₹6,000 p.m.
- iv) C.C.A. ₹500 p.m.
- v) Children education allowance ₹300 p.m. per child for 3 children.
- vi) Bonus equal to one month's basic salary.
- vii) Helper allowance ₹2,000 p.m. (₹1,500 p.m. spent)
- viii) Travelling allowance ₹1,000 p.m. (₹600 p.m. is spent)
- ix) House Rent Allowance at 20% of basic salary (Actual Rent paid ₹8,000 p.m.)
- x) He contributes 15% of salary and the company contributes on equal amount to RPF.
- xi) Interest on RPF amounted to ₹14,000 at 14% p.a.
- xii) The company provides him a sweeper and a watchman on a monthly salary of ₹4,000 and ₹3,000 respectively.
- xiii) Professional tax paid by him ₹200 p.m.

13. From the following details of Rajani, compute Business Income for the Assessment year 2022-23. Profit and loss A/c for the year ended 31-03-2022.

	₹		₹
To Salaries	30,000	By Gross profit	2,07,500
To Proprietor's salary	15,000	By Commission	7,500
To Legal charges	2,500	By LTCG	3,000
To Household expenses	20,000	By Income from firm	24,000
To Rent	50,000	By Bad debts recovered	1,500
To Trade expenses	12,000	By Agricultural Income	36,000
To Car expenses	18,000	By Rent from house property	20,000
To Discount allowed	6,000		
To Bad debts	2,000		
To RBD	3,000		
To Interest on bank loan	7,500		
To Interest on capital	5,000		
To Life Insurance Premium	13,000		
To Depreciation	15,000		
To Donation	5,000		
To Subscription to NSC	5,000		
To GST	12,500		
To Income tax paid	9,000		
To Net profit	69,000		
	2,99,500		2,99,500

Additional information <https://www.uomonline.com>

- 50% of rent is for private purpose.
- $\frac{2}{5}$ of car expenses for private use.
- Allowable depreciation is ₹12,000.
- Bank loan is for private use.
- Bad debts recovered were allowed in earlier previous year.

14. Ms. Ramani owns 3 house properties the following are the particulars in respect of these properties for the year ended 31-03-2022

Particulars	House I ₹	House II ₹	House III ₹
Fair rent	2,00,000	4,00,000	-
Municipal value	1,50,000	6,00,000	3,00,000
Annual rent	3,00,000	3,60,000	-
Standard rent	2,20,000	4,50,000	-
Municipal tax paid by tenant	7,500	60,000	-
Municipal tax paid by owner	7,500	-	30,000
Vacancy in months	01	02	-
Interest on loan taken for construction of house	1,75,000	-	2,70,000
Unrealised rent	10,000	-	-
Repair charges	20,000	33,000	50,000
Collection charges	2,000	3,000	-
Insurance premium	10,000	20,000	15,000
Purpose of use of house	Let out for residence	Let out for residence	self occupied

Compute her taxable income from house property for the Assessment year 2022-23.

15. Explain the depreciation provisions U/S 32 of Income Tax Act 1961.

