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J – 1345

Reg. No. :

Name :

Fourth Semester B.Com. Degree Examination, March 2020
Career Related First Degree Programme Under CBCSS
2(a) – COMMERCE AND TAX PROCEDURE AND PRACTICE
Vocational Course V: CX 1471
INCOME TAX ASSESSMENT-I
(2014 – 2017 Admissions)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** word to maximum **two** sentences each. Each question carries **1** mark.

1. What is casual income?
2. What is MAT?
3. Define total income.
4. What is TDS?
5. Define Annual Value.
6. Define assessee.
7. What do you mean by perquisites?
8. What is fair market value?
9. Define profession.
10. What is clubbing of income?

(10 × 1 = 10 Marks)

SECTION – B

Answer **any eight** questions in **one** paragraph each. **Each** question carries **2** marks.

11. What do you mean by income?
12. What do you mean by allowances?

P.T.O.

13. Who is called as specified assessee?
14. What is RPF?
15. What is gratuity?
16. Explain the deductions u/s 24.
17. Explain the cost of bonus shares.
18. Define dividend.
19. Define Indian Company.
20. What do you mean by less tax securities?
21. What is cost of acquisition?
22. Define firm.

(8 × 2 = 16 Marks)

SECTION – C

Answer **any six** questions in about **120** words each. Each question carries **4** marks.

23. Explain deduction u/s 80G.
24. What do you mean by bond washing transactions?
25. Explain the treatment of gift as per income tax rules.
26. What are the deductions under section 16?
27. Explain the residential status of an individual.

28. Describe the treatment of cost of improvement.

29. Sri. Aravind draws a salary of Rs. 25,000 p.m. He owns two houses and their details are as follows:

	House No.I	House No.II
Municipal Value	68,000	45,000
Fair Rental value	70,000	60,000
Annual rent received during the P.Y	NIL (self-occupied)	75,000
Municipal taxes paid	8,000	6,000
Interest on loan for construction	6,000	6,000
Interest on loan taken for son's marriage	5,000	

The second house remained vacant for 2 months. His income from other sources amounted to Rs.50,000. Compute his total income for the A.Y 2018-19.

30. Calculate the taxable income of Mr. Akash for the A.Y 2018-19 from the following if the Gross Total Income is Rs.2,50,000.

Life Insurance premium paid Rs.900

Contribution towards PF Rs.1,000

Medicclaim Insurance Rs.10,000

Expenditure of medical treatment for disabled relative Rs.14,500

Donation to Indian Army Rs.5,000

Donation to Government of India for Family Planning Rs. 25,000

31. Calculate Income from other sources from the following for Ms. Soman for the A.Y 2018-19

Income from Agricultural land in Pakisthan Rs.43,000

Income from Royalty Rs.5,000. Actual expenditure spent for this Rs.500

Salary as a Member of Parliament Rs. 4,000p.m

Winnings from crossword puzzle Rs.10,000

Rental income from plant and machinery Rs.40,000 excluding Rs.2,000 for repairs and Rs.5,000 for depreciation.

(6 × 4 = 24 Marks)

SECTION – D

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

32. Explain the income tax treatment of Hindu Undivided Family.
33. Explain the incomes, which are fully exempt from tax?
34. From the following Profit and Loss A/C of a firm, calculate total income of firm for the A.Y 2018-19.

Profit and Loss Account

To interest on Capital @ 12%		By Gross Profit	29,000
A	15,000	By Net Loss	
B	14,000	A	50,000
To Salary		B	50,000
A	40,000		
B	40,000		
To other expenses	20,000		
Total	1,29,000	Total	1,29,000

35. From the following information compute tax liability of Mr. A for the A.Y 2018 – 19

Business Income	Rs.20,000
STCG	Rs.5,000
LTCG	Rs.2,55,000
Interest on Securities	Rs.15,000
Deposit in PPF	Rs.5,000

(2 × 15 = 30 Marks)