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Total No. of Pages : 03

Total No. of Questions : 09

BBA (2013 to 2017)/B.Sc Business Economics (BBE)(2015 to 2017)
(Sem.-4)

INCOME TAX ACT

Subject Code : BBA/BBE-405

M.Code : 71207

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

SECTION-A

1. Write short notes the followings :

- a) Assessee in-default
- b) Casual income
- c) Profit in lieu of salary
- d) Fair Rental Value
- e) Preliminary Expenses
- f) Slump Sale
- g) Bond Washing transaction
- h) 80U
- i) Belated Return
- j) TDS



SECTION-B

UNIT-I

- How will you determine the residential status of an individual person?
- Discuss any 20 incomes which are exempted from tax.

UNIT-II

- Mr. Gaurav furnishes the following details of his salary income :

Salary	1,50,000
Encashment of earned leave	10,000
Uniform allowance	8,000
Actual expenditure	10,000
Research allowance	3,000
Actual expenditure	3,500
Scholarship granted to his son by the university	4,800
Education allowance for his grand daughter	3,000
Education allowance for his son studying outside India	3,000
Loan at concessional rate to buy a car @ 8.75% p.a. SBI rate is 11.25% p.a. date of loan is 1.4.2017	1,80,000
Helper allowance	10,000
Actual expenditure	9,000
Professional tax paid by the employer	1,000
Refreshment during office hours at an estimated cost of 200 p.m.	2,400
Employer paid his club bills	3,000
Employer contribution to R.P.F. is 14% of salary	
H.R.A. received by him is 1600 p.m. and rent paid by him 2000 p.m.	

Compute his taxable income under the head salary for the assessment year 2018-19.

- Define annual value and state the deductions that are allowed from net annual value while calculating income from House property.

UNIT-III

6. From the following P&L Account, calculate income from business of Mr. Dhoni.

Particulars	Rs.	Particulars	Rs.
To general expenses	20,000	By Gross Profit	5,00,000
To bad debts	25,000	By sundry receipts	50,000
To advance income tax	24,000	By bad debts recovered (earlier allowed as deduction)	12,500
To salary to staff	40,000	By interest on debentures(gross)	40,000
To drawings	40,000	By interest on deposit with a company(gross)	25,000
To interest on own capital	24,000		
To advertisement expenses	9,000		
To excise duty	12,000		
To expenditure on acquisition of patent right (in 2017-18)	10,000		
To Net Profit	4,23,500		
	6,27,500		6,27,500

Other Information :

- General expenses includes Rs. 2,300 spend as marriage expenses by the proprietor.
 - Advertisement expenses were spent on 31st August 2017.
 - Income of Rs. 12,000 accrued during the PY 2017-18 is not recorded in the P&L Account.
 - An expenditure of Rs. 1,000 relating to business is not shown in P&L Account.
 - The proprietor owns two houses from which he gets the income of 1,80,000.
7. What are the provisions for set off losses and carry forward of losses?

UNIT-IV

- What are the charitable donations? Explain the provisions in respect of donation under section 80G.
- What are the various authorities under income tax act for administration of Tax? Explain their powers.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.