

FACULTY OF COMMERCE

B.Com. (CBCS) (IV – Semester) Examination, May/June, 2018

INCOME TAX II

Paper Code – BC - 405

Time: 3 Hours

Max. Marks: 80

PART – A (5X4=20 Marks)

Note: Answer any FIVE of the following questions not exceeding 20 lines each.

- 1 Cost of Acquisition
- 2 Casual Income
- 3 Deemed Incomes
- 4 80E Reduction
- 5 Tax provisions regarding family pension
- 6 Define persons as per Income Tax Act
- 7 Best Judgment Assessment
- 8 E – Return

PART – B (5X12=60 Marks)

Note: Answer all the questions in not exceeding 4 pages each.

- 9 a) What are the Capital Gains exempted u/s 10.?

OR

b) Mr. Raju owned one residential house sold for Rs.11,80,000 in Oct. 2016 which was

actually purchased for Rs.1,00,00 in 1982-83. He spent Rs.10,000 for the construction

of another room in 1984-85. Expenses incurred in the execution of sale deed were

Rs.10,000 which were born by him.

Cost Inflation Index no.s in 1982-83, 84-85 and 2016-17 were 109, 125 and 1125 respectively.

Compute his capital gain.

- 10 a) Mention the different kinds of income specially mentioned as chargeable to tax under the need "income from other sources"

OR

b) From the following Information compute the Income From other sources for the A.Y

2017-18

i) Card Game loss

Rs.12,000

ii) From the activity fowning and maintain horse for race purpose

a) Loss at Bombay

Rs. 40,000

b) Profit at Bangalore

Rs.20,000

iii) Dividend(Gross) From Indian Companies

Rs.6,000

iv) Betting on Horse Races

Rs.4,000

- 11 a) What are the provisions of law regarding the clubbing of income of spouse and other family members in the income of individual?

OR

b) Mr. X gifted gold jewelery worth Rs.1,00,000 to his wife Mrs. X on 1-1-1995 which was acquired on same day on 1-5-1995 Mrs. X sold this Jewelery for RS.1,25,000 and invested the same in a plot for Rs.2,50,000 . The remaining amount was paid by her out of her own funds. The plot was sold for Rs.13,00,000 on 1-11-2016. Compute the income Chargeable to tax in the hands of Mr. X and Mrs. X on the sale of Jewellery as well as plot if CII for 1994-96 is 259 for 1995-96 is 281 and 2016-17 is 1125.

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12 a) What are the tax provisions regarding Alternate Minimum Tax (AMT) on Individual?

OR

b) For the accounting year ended 31st March 2017 Mrs. Shashi furnishes the following

	Rs.
particulars of his income.	
i).Salary received in India	60,000
ii).Profit from business in Germany but received in India	15,000
iii).Income from House Property in Pakistan deposited in Bank there	12,000
iv).Profit from business established in Bangladesh but business in controlled from India	46,000
v).Income occurred in India but received in Swedan	25,000
vi).In this accounting year Mr. Sashi has brought into India foreign income of earlier years	42,700
vii).Profit from sale of plant at Mumbai (50% received in Bangkok)	1,60,000
viii).Interest on Japan Development Bonds (60% received in India)	1,00,000
Compute his total Income if he is resident.	

13. a) What is time Limit for filing of return of income under the Income Tax Act.?

OR

b) Discuss the tax provisions relating to rectification of mistake.
