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Total No. of Pages: 03
Total No. of Questions: 09

BBA (SEM.-4th)
INCOME TAX ACT
Subject Code-BBA-405
Paper ID-[A2375]

Time: 3 Hrs.**Max. Marks: 60****INSTRUCTION TO CANDIDATES:**

1. **SECTION - A is COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. **Attempt any one question from each unit of SECTION - B**

SECTION-A**(10x2=20)**

Q1. Write briefly:

- a. Agriculture Income
- b. Previous Year
- c. Gross Total Income
- d. Leave Encashment
- e. Treatment of Car Perquisite
- f. Long term capital asset
- g. Treatment of Preliminary Expenses
- h. Income of Minor
- i. Tax deducted at source
- j. Best judgment assessment

SECTION-B
UNIT-I**(4x10=40)**

- Q2. Explain the residential status of an individual and a firm.
- Q3. Write any ten exempted incomes under Income Tax Act, 1961.

UNIT-II

- Q4. From the following particulars calculate the taxable income from salary of Mr. Krishnan for the Assessment Year 2014-15.
 - a) Basic pay Rs 12,000 pm (due on 1st day of month)
 - b) Bonus 1 month's basic pay.
 - c) Commission Rs. 60,000.
 - d) He also gets DA @ 60% of salary (50% of which enters into pay for service benefits).
 - e) He has employed a domestic servant @ Rs 1,600 pm but his employer reimburses Rs 1,200 pm on this account.

- f) Mobile bills paid by employer Rs 12,600.
- g) Medical bills for Rs 60,000 were reimbursed out of which Rs 17,000 for the notified hospital and rest for a private clinic.
- h) Both employer and employee contribute Rs 4,000 pm each towards RPF.
- i) On 1st February, 2014 he took a loan of Rs 6 lacs from his employer to purchase a car at the interest rate of 9% pa (rate of interest fixed by SBI is 12% pa)
- j) Interest credited to RPF balance @ 10% is Rs 30,000
- k) He has been provided a rent free house hired by employer at Rs 18,000 pm (population above 10 lacs)
- l) Free use of 1600 cc car is also provided both for official and private use.
- m) On Jan 10, 2014, he gets a wrist watch costing Rs. 8610 from employer as gift.
- n) He also contributes Rs. 13,000 towards the Unit-linked Insurance plan on 10.03.2014.

Q5. How do we calculate income under the head House Property? Explain with deductions to be given under section 24 of Income Tax Act, 1961.

UNIT-III

Q6. What is aggregation of income? Explain the instances where income of one assessee is clubbed with other.

Q7. Mr. Sanjiv provides you the following details from his books for AY 2014-15:

	Rs.
a. Computed net profit after charging the following	72,000
b. Provision for discount on debtors	42,000
c. Provision for depreciation	31,000
d. Household Expenses	48,000
e. Donation (approved)	70,000
f. Computer purchased for scientific research	20,000
g. Bearer cheque issued for purchase of raw material	25,000
h. Advertisement expenses on signboard	45,000
i. Audit fees paid in cash	25,000
j. Patents purchased during the year	75,000
k. Market survey expenses	15,000
l. Feasibility expenses on new project of Rs.6, 00,000	35,000
Incomes credited to Profit and loss account were:	
i. Bank interest on FD	7,000
ii. Refund of excise duty	5,000

iii.	Interest on UTI units	3,000
iv.	Bad debts recovered	3,000

Calculate business income.

UNIT-IV

- Q8. Explain the deductions under section 80 G, 80 GG, 80 GGA, 80 GGB and 80 GGC while computing taxable income.
- Q9. What are the various income tax authorities? Explain the powers given to Commissioner of Income tax.

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