



QP CODE: 20100109



20100109

Reg No :

Name :

BCOM DEGREE (CBCS) EXAMINATION, FEBRUARY 2020

Fifth Semester

Optional Core - CO5OCT01 - INCOME TAX- I

B.Com Model II Finance & Taxation, B.Com Model III Taxation, B.Com Model I Finance & Taxation

2017 Admission Onwards

AF6B0611

Time: 3 Hours

Maximum Marks :80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Who is a deemed assessee ?
2. Who is a non resident individual?
3. Give the five heads of income?
4. Explain the treatment of leave salary received by non-government employee on termination of service.
5. Explain deductions as per section 80C of Income Tax Act.
6. What is annual accretion?
7. What is the treatment for composite rent received ?
8. How are the arrears of rent received treated while computing house property income?
9. What is mercantile system of accounting?
10. What is meant by tea development account?
11. What is meant by the term block of assets?
12. Give few examples of deemed profits?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Mention the four canon taxation.





14. Explain Income ?
15. Distinguish between capital expenditure and revenue expenditure with examples ?
16. What is the scope of total income in the case of a non resident?
17. Mrs.Rakhy (Resident),an employee of SQL Ltd, having put in 30 years and 7 months of service seeks and is granted vountary retirement by the company and paid Rs.4,50,000. Salary last drawn by Rakhy consists of basic salary Rs.4,000 per month, Dearness Allowance Rs.1000 per month(not forming part of salary).
The balance months of services left before the date of retirement is 120 months.
Determine the taxable value of compensation received under voluntary retirement for the A.Y 2019-20.
18. What are the exemptions regarding Income From House property?
19. Explain in detail the provisions relating to deduction of interest on loan taken for construction of a house property in case of self occupied property?
20. Which are the expenses that are not deductible under Income Tax Act?
21. Explain the deductions under sec 30 to 37?

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. State the fully exempted incomes.
23. Mr.Manikyan is a Government employee in Varanasi .Following is the details of his salary during the year 2018-19.
 - a) Basic pay Rs.17,500 per month.
 - b) Dearness Allowance Rs.4,500 per month.
 - c) Residential house allotted by Government Rs.2,000 per month.However, similar house would fetch a monthly rent of Rs.4,400.
Determine gross salary in the following cases:
 - i) House is unfurnished, free of rent.
 - ii) House is unfurnished but Rs.1,200 per month is paid by him.
 - iii) House is unfurnished, but rent of 6,000 paid by him and balance 4,000 remains payable.
 - iv) House is furnished, free of rent. Cost of furniture is Rs.30,000 but its written down value is 27,000.
Some furniture are hired.Hire charges amounts to Rs.1,000 per annum.
 - v) House is furnished, cost of furniture is Rs.20,000. Rent recovered for the house is Rs.8,000.





24. Mr.X is the owner of a big house whose municipal valuation is Rs.36,000 p.a. 1/3 portion of the house is let out to a tenant at Rs.1,600 p.m. for residential purposes and remaining 2/3 portion is occupied by him for his own residence. The construction of this house started in June 2014 and was completed on 1st Nov 2016. The house is subject to the local taxes of Rs.3,600 p a which are unpaid. The other expenses in respect of this house are follows: Insurance premium Rs.600 Property tax to State Govt. Rs 720 Mr.X has taken a loan of RS.50,000 on 1 st July, 2014 for the construction of this house. The loan has not yet been paid back and interest @ 12% per annum is payable on it. Find out X's income from house property for the Assessment Year 2019-20.

25. Mr. Bhavesh Patel is a registered medical practitioner. He keeps his books on cash basis and his summarized cash account for the year ended 31st March, 2018 is as under:

Balance b/d	22,000	Cost of Medicines	10,000
Loan from Bank for Surgical Equipments	8,000	Motor-car	1,20,000
Private Purposes	3,000	Car Expenses	6,000
Sale of medicines	25,250	Salaries	4,600
Consultation fees	2,55,000	Rent of Dispensary	1,600
Visiting fees	24,000	General Expenses	300
Bank FDR interest	8,100	Life Insurance Premium	3,000
Personal Expenses	1,11,800	Balance c/d	3,37,350
Interest on Loan from Bank	500		

Compute his income from profession for the A.Y. 2019-20 taking into account the following further information.

- (a) One third of motor-car expenses are in respect of his personal use.
(b) Depreciation allowable on Motor-car and surgical equipments @15%.

(2×15=30)

