

TB246330L

Reg. No :

Name :

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2024

2021 ADMISSIONS REGULAR

SEMESTER VI - OPTIONAL CORE (COMMERCE; OPTIONAL: FINANCE AND TAXATION)

CO6B24AB18 - Income Tax II

Time : 3 Hours

Maximum Marks : 80

Part A

I. Answer any Ten questions. Each question carries 2 marks

(10x2=20)

1. Explain Capital Gain.
2. Describe LTCG.
3. Explain indexation.
4. List out any four tax free government securities.
5. Describe tax free government securities.
6. Describe the TDS rules for lottery and horse race.
7. Explain the computation of adjusted total income for the purpose of section 80G.
8. Discuss the term 'Undisclosed income'.
9. Describe the relevance of rebate.
10. Explain agricultural income.
11. Identify the powers of Joint Commissioner.
12. List any 4 powers of Assessing Officer.



Part B

II. Answer any Six questions. Each question carries 5 marks

(6x5=30)

13. Explain the computation of Capital Gain for depreciable assets.
14. One building (which was purchased in 2012) of X Ltd. An industrial undertaking is compulsorily acquired by the Government of Uttar Pradesh. Its WDV on 1-04-2022 was Rs.3,50,000/-. The UP Government paid Rs.6,00,000 on 25th May 2022 as compensation. The company purchased another building for the industrial undertaking for Rs.2,00,000 on 20th April 2023. Determine the amount exempt under section 54D and taxable capital gain for current AY.
15. Describe the tax treatment of amount received as gift.
16. Compute the income for the year ending 31st March, 2023 under the head 'Income from Other Sources' of Mr.Shinoy. His investments were:
 - 5% Government securities - Rs.70,000
 - 7.5% Agra Municipal bonds - Rs.50,000
 - 9% debentures of a company - Rs.30,000
 - 7% capital investment bonds - Rs.20,000
17. Explain inter head adjustment and its provisions for set off.
18. The income of a family is as given below:
 - Mr. Mohan from business – Rs. 11,00,000
 - Mrs. Mohan from employment – Rs.3,60,000
 - Minor son of Mr. Mohan (interest from a company). The amount for investment received from

his grandfather – Rs.20,000

- Minor son of Mr. Mohan, Mr. Krishna (for acting in films) – Rs.3,20,000
- Minor daughter of Mr.Mohan, Ms. Anjali – Rs. 12,000

Discuss in whose hands the incomes are assessable and to what extent?

19. Compute **taxable income and tax liability** of Kiran from the particulars for this assessment year:

- Gross salary - Rs.4,00,000
- Rent from house property (Computed) - Rs.80,000
- Long term capital loss - Rs.11,000
- Short term capital gain- Rs.35,000
- Interest accrued on NSS - Rs.25,000
- LIC Premium paid - Rs.13,000

20. Mr.Jijo has provided the following details of his income for this year:

1. Income from salary - Rs.2,60,000
2. Income from house property - Rs.2,60,000
3. Income from other sources - Rs.70,000

Compute his **tax liability** assuming his age is

- (a) 45 years
- (b) 62 years

21. Describe the powers of CBDT.

Part C

III. Answer any Two questions. Each question carries 15 marks

(2x15=30)

22. From the following information compute **capital gain**.

- Date of purchase -2 May 1998
- Cost acquisition - Rs.3,80,000
- Cost of additional construction in 1999 - Rs.20,000
- Fair market value on 1.4.2001- Rs.3,50,000
- Cost of additional construction in 2014-15 - Rs.3,00,000
- Sold the property in January 2023 for - Rs.12,00,000
- Selling Expenses - Rs.25,000
- Cost inflation index 2001-02 is 100, 2014-15 is 240, 2022-23 is 331

23. Mr. Gangadhar gives the following details of his income during this year:

1. Honorarium received for writing articles in magazines - Rs.10,000
2. Income from agriculture abroad - Rs..25,000
3. Ground rent from land in India - Rs.50,000
4. Interest from P.O.S.B .a/c- Rs.3,500
5. Interest on deposit with Industrial Finance Corporation - Rs.2,500
6. Dividend from foreign company - Rs.35,000
7. Rent from letting of building along with plant - Rs.20,000 (repairs to the above said plant Rs.1,000)
8. Winning from horse race - Rs.20,000
9. Interest on Rs.1,20,000,- 10%tax -free debentures of a listed company in India.

Calculate '**Income from other sources**' of Mr. Gangadhar for this assessment year.

24. Mr.Simon submits the following information relevant for this Assessment Year. Calculate **Total Income** of Mr Simon for this Assessment Year.

Salary income (computed) - Rs.6,30,000



Income from house property :

House I (profit)- Rs.60,000

House II (loss) - Rs.50,000

Profits and Gains of business :

Business A (profit) - Rs.1,00,000

Business B(loss) - Rs.60,000

Business C (Speculative loss) - Rs.25,000

Capital gains :

Long term capital gain - Rs.75,000

Short term capital loss - Rs.20,000

Income from other sources:

Income from card games - Rs.32,000

loss from card games - Rs.2,600

25. Calculate the **income tax payable** by the following persons for this assessment year :

1. Total income of Mr. Arun Kumar - Rs. 6,85,000

2.Total income of Mr. Ajay Ghosh - Rs.11,75,000

Assume that the total income of Arun Kumar includes Long Term Capital Gain of Rs.75,000 and Ajay Ghosh includes Long Term Capital Gain of Rs. 2,00,000

