TD241135D

Reg. No............................

Name...............................

DIPLOMA EXAMINATION, NOVEMBER 2024
(2024 Admission Regular)
SEMESTER I – SKILL COURSE
DIPLOMA PROFESSIONAL ACCOUNTING AND TAXATION
VPA1S02D24 : DIRECT TAXATION

Time: 3 Hours **Maximum Marks: 60**

PART A

I. Answer all the questions in this part. Each question carries 1 mark

A Choose the correct answer from the following options.

1. To become Resident & Ordinarily Resident person should be in India.
   a. 730 days during preceding 7 years
   b. 730 days during next 7 years
   c. 730 days during preceding 10 years
   d. 365 days during preceding 4 years
2. An Indian Company is always
   a. Non-Resident
   b. Resident & Ordinarily Resident
   c. Resident
   d. None of the above
3. Entertainment allowance is deductible under the head
   a. House Property
   b. Other sources
   c. Salary
   d. Business income
4. Dividend income is taxed under the head
   a. Salary
   b. House property
   c. Capital Gains
   d. Profit & Grains of Business
5. Deemed owner is explained under the head
   a. Business Income
   b. Salary Income
   c. House Property Income
   d. Capital Gains

B. Match the following

6.	Salary	-	A. Indexation
7.	Assessment year	-	B. Government Employees
8.	Capital Gain	-	C. Standard Deduction
9.	Other Sources	-	D. Income is assessed to tax
10.	Entertainment Allowance	-	E. Royalty Income

C. True | False.

11. Agricultural income is totally exempt from tax.
12. Income exempt from tax are discussed U/S II of the Act.
13. India follows slab system of taxation.
14. Annual value is computed under income from Capital Gains.
15. 3% education cess is charged on tax computed.

D. Fill in the blanks with one word.

16. Indexation benefit is available only for ____________ capital asset.
17. ____________ satisfies the additional conditions for HUF to become resident & ordinarily resident.
18. Standard deduction is allowed under the head of income __________.
19. The year in which income is earned are called ___________.
20. Cost inflation index for 2001-02------------ .

(20 x 1 = 20)

PART B

II. Answer any 5 questions. Each question carries 2 marks.

21. Define the term 'person'
22. What do you mean by Deemed Let Out property
23. What are the permissible deduction under the head salaries.
24. What do you mean by Block of Asset of depreciation u/s 32.
25. What do you mean by perquisite. List any 3 perquisites under the head salary.
26. Who is an assessee under the Act.
27. Define the term Gross Total Income

(5x2= 10)

PART C

III. Answer any four questions. Each question carries 5 marks.

28. List any 10 incomes totally exempt from tax.
29. Explain the concept of Deemed Owner.
30. Explain the concept of aggregation of Agricultural Income.
31. Compute income from House property

M V	– 70,000
F R	– 60,000
Actual Rent	– 5000 pm
Vacancy	– 3 months
Interest on loan borrowed	– 100,000

32. Define the term Capital Asset. What is long term capital asset and short term capital asset
33. What is self-occupied property? How will you compute the income from self-occupied house property?

(4x5 =20)

PART D

IV. Answer any one from the following questions. The question carries 10 marks

34. Compute taxable income from salary from the following details

Basic Salary	-	10000 pm
DA	-	5000 pm
Commission	-	600 pm
Uniform allowance	-	1000 pm (50% spent for uniform)
Children education allowance (for 2 children)	-	500 pm
Professional tax paid	-	1200 pa

35. Compute Income from other sources.

Dividend Income from foreign company (collection charges 600)	-	6000 pa
Dividend from Indian company (collection charges 50)	-	1000 pa
Royalty income received	-	10000 pa
Interest on fixed deposit	-	7000 pa
Lottery income received (after deducting 30% tax)	-	70000

(1x10=10)