QP CODE: 24000873

24000873

Reg No : .....

Name : .....

B.COM DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS, MARCH 2024

Sixth Semester

Optional Core - CO6OCT01 - INCOME TAX- II

Common for B.Com Model I Finance & Taxation, B.Com Model II Finance & Taxation and B.Com Model III Taxation

2017 Admission Onwards

7620C1E2

Time: 3 Hours Max. Marks : 80

*Instructions to Private candidates only: This question paper contains two sections. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II***

Part A

*Answer any **ten** questions.*

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

1. What Capital gains are exempted from tax?
2. Mention any two differences between Long term and Short term capital gains.
3. How are gifts and cash prizes taxed under Income from Other Sources ?
4. Explain the tax implications of dividend?
5. Write a short note on tax implications of unexplained expenditure under section 69 C.
6. What are Provisions regarding set-off long term capital gains?
7. Define Agricultural income?
8. What is rebate in income tax?
9. What do you mean by marginal Relief?
10. What is PAN card used for?
11. What is the Supreme Authority of Income?
12. Explain the term Tax Holiday.

(10×2=20)

Part B

*Answer any **six** questions.*

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

13. What do you understand by the term capital gains? What are the rules regarding exemption of capital gains?

14. What do you mean by ' Transfer' and what are the transactions not regarded as Transfer?

15. What do you understand by aggregation of income? Explain.

16. Define tax planning. How is it different from tax avoidance and tax evasion?

17. Describe the procedure and steps for assessment of income of an individual.

18. An Assessee Mr. X had purchased 500 shares of total face value of Rs.5000 for Rs. 8540 in May 2008. He received 100 bonus shares of the value of Rs.10 each from the same company in May 2021. He sold the original 500 shares on 1-6-2021 for Rs 60000. For the Assessment Year 2022-23 calculate capital gains of Mr. X.
The cost inflation indices are:
2008-09-122
2021-22-289

19. Suggest the tax implications in each of the following cases, in respect of Mr. Y.
Case 1. Rs. 50000 from his friend A
Case 2. Rs. 49000 from his friend B
Case 3. Rs. 51000 and a video camera (cost Rs. 25000) from his friend C.
Case 4. Rs. 50001 from D, cousin of his father
Case 5. Rs. 75000 from E, who is elder brother of his grandfather.

20. The following particulars are submitted by Mr. David for the Assessment year 2022-23. You are required to compute his gross tax liability.
Income from House Property (computed) Rs. 78000
Agricultural Income Rs. 15000
Long-term capital gains Rs. 20000
Lottery winning from Tamil Nadu state Rs. 50000
Life Insurance Premium paid Rs. 7000
Casual Income from TV. Game Show Rs.14000
Business Income Rs. 600000.

21. Salary income of Smt. Beena is Rs. 600000 (computed). She donated Rs. 5000 to a political party by cheque. She deposited Rs. 60000 in PPF and paid instalment of loan taken to purchase a residential house Rs. 50000.
She donated books worth Rs. 5000 to a school.
She paid medical insurance premia on her health Rs. 6000 in cash.
Compute total income for the Assessment year 2022-23.

(6×5=30)

Part C

*Answer any **two** questions.*

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

22. Enumerate the items of deductions allowable in computing income under the head ' income from other sources.'

23. Write a notes on the following:
(a) Tax clearance certificate.
(b) E- filing of Return.
(c) Advance payment of tax.
(d) Bond washing Transaction.

24. From the following particulars of Mr. Kiran, compute total income for the Assessment Year 2022-23.

(a) Gross salary (per annum) RS.	230000
(b) Loss from self- occupied house	20000
(c) Rent from let-out house	60000
Interest payable on the loan taken for the Let- out house for the year	45000
(d) Interest on bank time deposit	16000
(e) Income from a cloth business	50000
(f) Loss from Silver speculation	10000
(g) Profit from gold speculation	25000
(h) Gross winning from lotteries	12000
(i) Agricultural Indian Income	15000
(j) Agricultural Foreign Income	10000

25. Mr. Anil Purchased a house property for Rs.76000 in January 1990. The following expenses were incurred by him on the Property.
1) Cost of construction of first floor 1995-96 Rs. 110000
2) Cost of Construction of the second floor 2008-09 Rs. 440000
3) Renvation of the property 2012-13 Rs. 290000
4) Fair market value of the property on 1-4-2001 Rs. 650000
The property was sold for Rs. 9000000 in January 2018 incurring commission 2% and selling expenses Rs. 50000.
Compute capital gains taxable.
CII 2001-02-100, 2008-09-137
2012-13-200, 2017-18-272.

(2×15=30)