QP CODE: 26023117

26023117

Reg No : .....

Name : .....

B.COM DEGREE (CBCS)SPECIAL RE APPEARANCE EXAMINATIONS, MAY 2026

(EXCLUSIVELY FOR THE FAILED CANDIDATES OF 2023 ADMISSION)

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

2023 Admission Only

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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. Define capital gains.
2. What is the cost of acquisition?
3. Define carry forward of losses.
4. How is dividend income taxed under the IT Act?
5. What is meant by family pension?
6. Explain the concept of Gross Total Income.
7. What is Section 80U of the IT Act?
8. What is meant by the clubbing of agricultural income?
9. What is regular assessment?
10. What documents are required to claim a tax refund?
11. State any four advantages of e-filing of tax returns.

12. Define a Tax Clearance Certificate.

(10×2=20)

Part B

*Answer any **six** questions.*

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

13. Explain the capital gains that are exempt from tax under the IT Act.

14. Explain the tax treatment of conversion of a capital asset into stock-in-trade with suitable examples.

15. How are speculative business losses treated under the IT Act?

16. Mr. Able purchased a rental residential in 1998 for Rs. 2,00,000 which he sold in October, 2023 for Rs. 30,00,000. Fair market value of the house as on 1st April, 2001 was Rs. 3,00,000. He purchased a new house on 31st December, 2023 for Rs. 24,00,000. Compute capital gains.

17. Mrs. Ann Mathew, a resident individual, submits the following particulars of income for the Previous Year ending March 31, 2025:

    1. Dividend from REC International Ltd. (gross) Rs. 4,800.
    2. Collection charges in respect of dividend Rs. 460.
    3. Winnings from lottery net amount Rs. 70,000. Tax deducted at source Rs. 30,000.
    4. Winnings from card games Rs. 23,500.
    5. Interest from Savings Bank Account Rs. 5,300.
    6. Interest on securities issued by the Government of Singapore Rs. 20,570.

    Compute the income chartable to tax under the head 'Income from Other Sources' for the Assessment Year 2025-26.

18. The business income of an individual for the Assessment Year 2025-26 has been determined by the Assessing Officer at Rs. 3,50,000. Later, it is found that he has not considered the following while determining the income:

    1. Depreciation for the current year Rs. 12,000.
    2. Unabsorbed depreciation carried forward Rs. 15,000.
    3. Unabsorbed business loss carried forward from the Assessment Year 2023-24 Rs. 3,000.

    Compute the gross total income for the Assessment Year 2025-26.

19. Explain the concept of TAN and its importance in TDS administration.

20. Explain the functions of the Central Board of Direct Taxes.

21. The income of a disabled individual for the Assessment Year 2025-26 consists of the following:

    1. Income from business Rs. 5,47,000.
    2. One-third share from an A.O.P Rs. 50,000.
    3. One-fourth share in profit from a firm Rs. 42,000.
    4. Income from House Property (computed) Rs. 50,000.
    5. Bank interest on time deposit Rs. 20,000.

    Compute his tax liability for the Assessment Year 2025-26 if his wife has also a taxable income of Rs. 3,75,000.

(6×5=30)

Part C

*Answer any **two** questions.*

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

22. Mr. Bobby had two houses. The first house was occupied by himself for residence. He purchased this house in 1999 for Rs. 1,50,000. Its fair market value on 1st April, 2001 was Rs. 2,10,000, he spent Rs. 5,000 on its improvement on 19-9-2024 and sold on 30th November, 2024 for Rs. 18,00,000. He purchased another house for his residence on 25th February, 2025 for Rs. 8,00,000.

    He had purchased the second house for Rs. 7,74,000 in 2007-08 and had let-out it for residential purpose. He sold this house on 15th June, 2024 for Rs. 16,00,000.

    He had purchased some jewellery in 2007-08 for Rs. 2,58,000. On 22nd Februvery, 2025 he sold this jewellery for Rs. 10,00,000 and purchased on 15th March, 2025 new jewellery of Rs. 75,000.

    Calculate the taxable capital gains of Mr. Bobby for the Assessment Year 2025-26. The CII are: 2001-02-100; 2007-08-129; 2024-25-36

23. Compute gross tax liability of Professor Gopal Sharma for the Assessment Year 2025-26 from the following particulars:

    i. Gross salary Rs. 6,12,000.
    ii. Rent from house property Rs. 60,000.
    iii. Interest on bank deposits Rs. 12,000.
    iv. Income from horse-race Rs. 20,000.
    v. Agricultural income Rs. 18,000.

vi. Long-term capital loss (1-6-2024) Rs. 25,000.

vii. Short-term capital gains (1-7-2024) Rs. 40,000.

viii. Interest on KVP Rs. 5,000

ix. Income of a Minor Son Rs. 10,000.

x. Life Insurance Premium paid Rs. 15,000.

24. Define set-off of losses under the IT Act. State the provisions regarding set-off of losses.

25. Describe the objectives, advantages, and challenges of tax management in India.

(2×15=30)