Register Number:

Date:5-12-2022 99am)

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 **ST. JOSEPH’S COLLEGE (AUTONOMOUS) BENGALURU-27**

**B.COM: V SEMESTER**

 **END SEMESTER EXAMINATION - OCTOBER2022**

**(Examination conducted in December2022)**

**BC 5218/ BPS 5218: INCOME TAX I**

**TIME: 21/2 Hour MAX. MARKS: 70**

**This paper contains 4 printed pages and four parts**

**SECTION A**

**Answer any FIVE of the following. Each question carries two marks. (5x2=10)**

1. Who is an assessee-in-default?
2. Mention any two exempted incomes u/s 10 of I.T. Act.
3. How do you treat unrealised rent?
4. Who is a specified employee?
5. What is commuted and uncommuted pension?
6. State any two fully exempted allowances.

**SECTION B**

**Answer any THREE of the following. Each question carries five marks. (3x5=15)**

1. Mr Kiran (resident) is employed at ABC ltd for a salary of Rs.5500 per month. He is also getting DA(As per terms of employment) Rs.1200 p.m. He receives Rs.4500 as bonus. On 30.7.2022, He retired from his service. He served the company for 25 years and 7 months. He received Rs.1,80,000 as gratuity under the payment of gratuity act . Compute his taxable gratuity for the Assessment Year 2023-24.
2. From the following particulars of a house propertyowned by Mr. Ravi,Compute NAV for the assessment year 2023-24.

|  |  |
| --- | --- |
| **Particulars** |  **Amount in Rs.** |
| Purpose of use | **Let out** for business |
| Municipal Value | 48,000 |
| Standard Rent | 42,000 |
| Actual rent | 60,000 |
| Municipal tax  | 9,600 |
| **Repair charges** | 8,400 |
| Vacancy period | 2 months |

Municipal tax paid by the owner Rs.10,000.

1. Mr. A, a resident of London came to India for the first time on 1-4-2016. He Stayed here continuously for 3 years and went to France on 31-3-2019. He however returned to India on 1-7-2019 and went to Poland on 1-12-2020. He again came back to India on 25-01-2023 on a service in India. What is his residential status for the A.Y. 23-24?
2. State whether the following are agriculture or non-agriculture income with reason
3. Income from supply of water for agriculture purpose.
4. Profit on sale of agriculture land in London.
5. Income from Dairy products.
6. Salary received from a tea manufacturing company.
7. Income from spontaneously grown forest trees.

**SECTION C**

**Answer any TWO of the following. Each question carries fifteen marks. (2x15=30)**

11. Compute the income under the head salary of Mr. Varun for the assessment year 2023-24 from the following particulars:

He draws a basic salary of Rs. 20,000 p.m. and Dearness allowance Rs. 5600 p.m.(Rs.1600 p.m. forms part of the basic pay for retirement benefits). He received Bonus of Rs.6000 p.a. He is provided with rent free furnished accommodation in Delhi. The rent paid by the company is Rs. 4500 p.m. the company has also provided him with the furniture and household appliances (original cost Rs.75,000 but written down value is Rs.15,000). He is getting transport allowance of Rs.2000 p.m. medical allowance of Rs.800 p.m. and servant allowance of Rs.550 p.m.

He has been provided with a chauffeur driven car of 1800cc engine capacity for personal and official duties and the expenses of its maintenance are met by the company. He contributes 15% towards RPF but the employer contributed Rs.30,000 p.a.Professional tax paid during the PY is Rs. 200pm.

1. Mr. Shiva is the owner of 3 house properties in Bengaluru and let out all the houses throughout the year:

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | House I | House II | House III |
| Fair rentMunicipal ValuationActual Rent (Per month)Use by TenantRepair chargesCollection chargesInterest on loan1. For Construction
2. For marriage of daughter
3. For repairs of house property
 | 1,80,0001,50,00020,000Residential10,00020,0001,00,000----- -----  | 1,50,0002,00,00015,000Office-----5,000------60,000------ | 1,20,0001,00,00025,000Residential40,000------------------10,000 |

Municipal tax is 10% of municipal valuation. Municipal tax of House I was paid by the owner but the municipal taxes of House II and House III were paid by the tenant. The House III was remained vacant for a month. Compute the income from House Property of Mr. Shiva for the AY 2023-24.

1. (A) Mr. Ali an employee of ABC ltd. Bangalore, retired on 31st May 2022 after completing 28 years of service. His monthly pension was fixed at Rs.20,000. He commuted 60% of pension on 1-1-2023 and received a sum of Rs. 5,40,000. Calculate his taxable pension if he is:
2. Government employee.
3. Non-Government employee (Receiving gratuity, not covered under the gratuity act)
4. Non-Government employee (Not receiving gratuity) **(8 Marks)**

(B) Mr. Mohith resides in Chennai. During the previous year 2022-23, He gets Rs.12000 p.m. as basic salary, DA at 20% of basic salary (as per employment terms), fixed medical allowance of Rs.300 p.m. and special allowance of Rs.250 p.m. He has been provided with rent free accommodation. The cost of furniture provided being Rs. 1,20,000. Compute taxable value of furnished accommodation for A.Y. 2023-24. **(7 Marks)**

**SECTION D**

**Answer the following compulsory question. The question carries fifteen marks. (1x15=15)**

14. Mr. Krishna furnishes the following Particulars of his Income earned during the previous year 2022-23.

|  |  |  |
| --- | --- | --- |
| **Sl.** **No** | **Particulars** | **Amount****Rs.** |
| 1 | Profit from business in Chennai | 50,000 |
| 2 | Income from agriculture in Srilanka | 1,90,000 |
| 3 | Income from property in Mexico received there | 2,00,000 |
| 4 | Interest on Singapore development bonds (1/3 received in India) | 1,50,000 |
| 5 | Income from business in Kuwait controlled from Mumbai (Rs.35,000 received in India) | 85,000 |
| 6 | Dividend from domestic company  | 1,000 |
| 7 | Profit on sale of building in Bangalore received in China | 40,000 |
| 8 | Share from HUF | 2,00,000 |
| 9 | Gift from relatives at the time of marriage | 2,00,000 |
| 10 | Gift from non-relative received in Delhi | 55,000 |
| 11 | Profit from business in Pune received in Mumbai | 80,000 |
| 12 | Profit on sale of plant at London (50% received In India) | 54,000 |
| 13 | Past untaxed foreign income brought to India in the PY 2022-23 | 55,000 |
| 14 | Income from agriculture in India | 60,000 |

Compute his income for the Assessment year 2023-24, If he is:

1. Resident and ordinarily Resident

2. Not ordinarily Resident

3. Non resident