

B.B.A. CBCS Pattern Semester-V  
**UCB5C01 - Income Tax**

P. Pages : 4

Time : Three Hours



**GUG/W/23/13033**

Max. Marks : 80

- Notes :
1. All questions are compulsory.
  2. All questions carry equal marks.

1. a) Write about essential features of Agricultural Income. 8
- b) Write the items which are Exempt U/S 80 C. 8

**OR**

- c) Distinguish between Capital Receipts and Revenue Receipts. 8
- d) State the conditions for ordinarily resident of an Individual. 8
2. a) Mr. Rohan an employee of Govt. of India is drawing a salary of Rs. 40,000 p.m. and D.A. of Rs. 6,000 p.m. from the very beginning he was getting entertainment allowance and last year his entertainment allowance was doubled. At present he is drawing Rs. 2,000 p.m. an entertainment allowance. The other perquisites are of Rs. 5,000 p.m. He was getting uniform allowance @Rs. 3,000 twice a year. It was claimed that whole of it has been spent on uniform. He received Rs. 20,000 as bonus during the year. Calculate his taxable salary for A. Y. 2023-24. 8

- b) Mr. Pawan working in company at Mumbai. For the year ended 31<sup>st</sup> March 2023 he furnished the following particulars of his income. 8
  - 1) Basic pay Rs. 15,000 p.m.
  - 2) Dearness allowance Rs. 6,000 p.m.
  - 3) Entertainment allowance Rs. 1,200 p.m.
  - 4) Bonus Rs. 12,000.
  - 5) Free gas, electricity and water bill paid by the company Rs. 6,000.
  - 6) Tax on employment paid by the employer Rs. 2,400.
  - 7) His son is studying in a Medical college, the employer granted him scholarship @ Rs. 1,000 p.m.
  - 8) Medical allowance (Actual expenses Rs. 3,000) Rs. 4,800.
  - 9) His telephone bill paid by the employer Rs. 3,600.Compute his Income from salaries for the A. Y. 2023-24.

**OR**

- c) From the following particulars compute the taxable income under the head of salary of Mr. Mohan for A. Y. 2023-24. 16

He is employed with PIX Transmission Co. Ltd Mumbai on a monthly salary of Rs. 15,000. In addition, he is entitled for a commission on turnover amounted to Rs. 10,000. He received the following allowances and amenities from the employer during the previous year:

  - i) D. A Rs. 5,000 p.m. which is granted under terms of employment and counted for retirement benefits.
  - ii) Bonus equal to 2 months basic salary.
  - iii) House Rent Allowance @ Rs. 3,000 p.m.
  - iv) Entertainment Allowance @ Rs. 600 p.m.

- v) The employer paid Rs. 5,000 towards the income tax liability of the assessee.
  - vi) He had been provided with the amenities of gas, electricity and water. The expenses of which amounting Rs. 6,000 were paid by the Employer.
  - vii) He and his employer each contributed 13% of his salary towards recognized provident fund.
  - viii) The interest credited to his R.P.F. account for the previous year @ 12% amt. to Rs. 7,800.
  - ix) He spent Rs. 4,000 p.m. as rent of the house occupied by him in Mumbai.
  - x) Professional Tax paid by employee Rs. 2,500.
  - xi) L.I.C Premium paid by employer Rs. 10,000.
- Compute her taxable income under the head salaries for A. Y. 2023-24.

3. a) Mrs. Neena owns house property, it was let out for business purposes at monthly rent of Rs. 12,000. Actual rent received (after deducting unrealized rent Rs. 4,000) Rs. 1,16,000. Other details are: **8**

Municipal value	Rs. 1,36,000
Standard rent	Rs. 1,30,000
Fair rent	Rs. 1,35,000
Repairs	Rs. 1,500
Insurance	Rs. 12,000
Municipal taxes	Rs. 14,000
Land revenue	Rs. 11,000
Ground rent	Rs. 12,000
Vacancy period (2 months loss)	Rs. 24,000
She has taken loan for business purposes and paid interest	Rs. 20,000

Compute income under the head income from house property.

- b) Mr. Rehman is the owner of house property in Amravati, its Municipal value is Rs. 75,000, fair rent is Rs. 1,00,000, standard rent is Rs. 90,000. It has been let-out for Rs. 90,000. Municipal tax is Rs. 20,000 paid by tenant. Mr. Rehman however, bears the following expenses on tenants amenities under an agreement – **8**
- Water charges Rs. 1,000, Lift maintenance Rs. 1,000, Salary of gardener Rs. 1,200 and Lighting of stairs Rs. 800.
- Mr. Rehman claims the following deductions –
- Repairs Rs. 30,000, Land revenue Rs. 1,000 and collection charges Rs. 2,000.
- Compute his taxable income from house property for the A. Y. 2023-24.

**OR**

- c) Mr. Deepak owns a house property in Nagpur. 60% of the property is let out for Rs. 27,000 p. m. and 40% portion is self-occupied by him Compute his total income from house property for the A. Y. 2023-24 from the following information submitted to you. **8**

Municipal value	3,60,000
Fair rent p. m.	39,600
Standard rent p. m.	36,000
Municipal taxes paid	54,000
Interest on money borrowed for purchase of house property which was acquired in 2011.	1,80,000

- d) Mr. Akshay is the owner of a house property at Malkapur. It has been let out for Rs. 1,35,000 p. a. The Municipal rentable value of the house was Rs. 1,30,000 on which the local taxes payable by the owner were 10%. But as per the agreement between them, the tenant has agreed to pay taxes directly to the municipal corporation. However, according to the agreement. Mr. Akshay has borne the following expenses on tenant amenities. 8

i) Extension of water connections	Rs. 5,000
ii) Water charges	Rs. 2,500
iii) Lift maintenance	Rs. 1,000
iv) Salary of gardener	Rs. 1,200
v) Lighting of stairs	Rs. 800

Following deductions are claimed by Mr. Akshay

a) Repairs	Rs. 25,000
b) Rent collection charges	Rs. 8,000
c) Land revenue	Rs. 2,000
d) Stamp duty and registration charges towards lease agreement of the property	Rs. 8,000
e) Maintenance allowance @Rs. 1,000 p.m. Payable to mother as per will of his father who transferred him this property.	
f) Unrealized rent of past years Rs. 11,000 which satisfies all the conditions for deduction.	

Compute the income of Mr. Akshay from house property for the A. Y. 2023-24.

4. a) The following investments are held by Mr. Harish on 1-04-2022. 8

- i) Rs. 94,000, 10% Maharashtra Govt. Loan.
- ii) Rs. 82,250, 9% Debentures of Muktai Sugar Mill Co. Muktainagar.
- iii) Rs. 1,17,500, 12% Debentures of Tirupati Trading Co.

On 1-09-2022, he sold the debentures-cum-interest of Mahalaxmi Enterprises Ltd. Interest on investments is required half-yearly on 1<sup>st</sup> July and 1<sup>st</sup> January every year.

Calculate income from other sources for the previous year 2022-2023.

- b) Mr. Kamal of Nagpur submits the following particulars of his income for the previous year 2022-23. 8

- 1) 10% of preference shares of Manipal Industries Rs. 20,000
- 2) 10% Govt. Securities Rs. 30,000
- 3) 12% Nagpur Municipal bonds Rs. 25,000.
- 4) 9% Singapur Govt. Securities Rs. 8,000.
- 5) 7% National plan certificate Rs. 60,000.
- 6) 7% 7 year Post office National saving certificates Rs. 29,000.

He spent Rs. 150 towards collection of interest paid Rs. 1,800 as interest on loan taken for Nagpur Municipal bonds.

Compute his Income from other sources for the A. Y. 2023-24.

**OR**

- c) Mr. Hemant's investment during the year ended 31<sup>st</sup> March 2022 consisted of the following. 8

1) 7% Government securities	25,000
2) 8% Agra Municipal bonds	15,000
3) 9% Mumbai Port trust bonds	20,000
4) 7% Govt. bonds	18,000
5) 6% Securities of a foreign government	15,000
6) Interest credited to Sukanya Samriddhi A/c	3,000

He paid Rs. 60 as commission for collecting. The taxable interest on securities and Rs. 1,200 as interest on the loan which he had taken for the purpose of purchasing the Mumbai Port trust bonds.

Find out his income under the head Income from other sources.

d) Dr. Patil has submitted the following details of his income from other sources for the previous year 2022-2023. **8**

- 1) Rs. 90,000 received by the assessee from his friends on the occasion of the marriage of his son.
- 2) He owns a non-agricultural land in Gadchiroli which he has leased out to a Private Transport Company. For parking of trucks and buses he gets a rent of Rs. 3,000 p. m. from the Company.
- 3) He owns another piece of land in the area of Nagpur Municipal Corporation. This land is being used for weekly market and gets Rs. 2,500 p.m. as rent of the land from NMC.
- 4) He owns a quarry near Akola which he has let-out on Royalty based on production. He received Rs. 16,000 royalty and spent Rs. 500 for collection charges which were approved by Tax assessment officer.
- 5) He gave Management consultancy service to a number of entrepreneurs. This gave him an income of Rs. 40,000.
- 6) He received Rs. 40,000 as income from agricultural land owned by him but situated out of India.
- 7) He is elected member of Parliament from Akola constituency and gets Rs. 5,000 as salary p.m. and received Rs. 40,000 as daily allowance for attending the sessions of the Parliament.

Calculate his taxable income from other sources for A. Y. 2023-24.

**5.** Write short answer.

- a) Define the under section 80 D. **4**
- b) State the incomes which are exempt from tax. **4**
- c) Define the Permanent Account Number (PAN). **4**
- d) Explain the term 'Assessment Year'. **4**

\*\*\*\*\*