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(6th Semester)

COMMERCE

Paper : BC-604

(Income-Tax Law and Practice)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

1. Indicate whether the following statements are *True* or *False* by putting a Tick (✓) mark : 1×5=5

(a) A person may not have assessable income but may still be an assessee.

True () *False* ()

(b) Employees contribution qualifies for tax deduction under Section 16(ia).

True () *False* ()

(c) Tax deduction at source is one of the modes of collection of taxes.

True () *False* ()

- (d) Commissioner of income tax can pass order under Section 263 within 4 years from the end of the financial year.

True () False ()

- (e) The CBDT is created under the Central Boards of Revenue Act, 1963.

True () False ()

2. Choose the correct answer and place its code in the brackets provided :

1×10=10

- (a) Regular assessment can be made into

- (i) one type
- (ii) three types
- (iii) two types
- (iv) six types

[]

- (b) The commissioner of income tax is vested with which of the following powers?

- (i) To impose penalty for non-payment of tax
- (ii) To review the order of the assessing officer
- (iii) To inspect register of companies
- (iv) To grant refunds

[]

(c) Advance ruling has been defined in ____ of the Income-tax Act, 1961.

(i) Section 236(A)

(ii) Section 240(iA)

(iii) Section 245 N(a)

(iv) Section 260 []

(d) Orders of Appellate Tribunal come under which Section?

(i) Section 254

(ii) Section 160

(iii) Section 260

(iv) Section 230 []

(e) Every deductor is required to obtain a/an

(i) Aadhaar Number

(ii) VAT Number

(iii) Unique Identification Number

(iv) Personal Information Number []

(f) Deduction under Section 80G donation to National Funds is

(i) fully taxable

(ii) partly taxable

(iii) 50% taxable

(iv) fully exempted []

- (g) Which of the following incomes from house property is exempted from tax?
- (i) Charitable purpose
 - (ii) Business or profession
 - (iii) Lease out property
 - (iv) Commercial purpose []
- (h) Taxable income under the head salaries is computed after making the deduction under
- (i) Section 13
 - (ii) Section 14
 - (iii) Section 15
 - (iv) Section 16 []
- (i) Assessment year is the period of 12 months commencing from 1st day of ____ to 31st day of ____.
- (i) January, December
 - (ii) April, March
 - (iii) July, June
 - (iv) August, September []
- (j) Residential status is to be determined for
- (i) previous year
 - (ii) accounting year
 - (iii) assessment year
 - (iv) financial year []

(5)

3. Write short notes on the following :

2×5=10


(a) Gross Total Income

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(6)

(b) Assessment Year

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(7)


(c) Agricultural Income

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(8)

(d) Advance Tax

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(9)

(e) Income Tax Officer

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(6th Semester)

COMMERCE

Paper : BC-604

(Income-Tax Law and Practice)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 45)

*The figures in the margin indicate full marks
for the questions*

1. (a) What are the various incomes that are exempted from tax under the Income-tax Act, 1961?

Or

- (b) Explain the residential status of individual as per the Income-tax Act, 1961.

2. (a) Explain in detail the different heads of income under the Income-tax Act.

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(Turn Over)

(2)

Or

3. (a)

(b) Mr. A has the following income during the Previous Year, 2020-2021 :

- (i) Basic pay—₹ 2,60,000 (b)
- (ii) Dearness allowance—₹ 40,000
- (iii) Children education allowance—₹ 6,000 (for 3 children)
- (iv) Actual rent paid for a residential house at Delhi—₹ 60,000 4. (a)
- (v) House rent allowance—₹ 48,000
- (vi) He has been provided with motorcar of 1.8 litre engine capacity for the official and personal use. All expenses of the motorcar are borne by the employer (b)
- (vii) He contributes 14% of his salary to a recognized provident fund and his employer also contributes the same amount 5. (a)
- (viii) Interest credited to recognized provident fund @ 13% amounted ₹ 13 000
- (ix) Medical expenses paid by his employer—₹ 25,000
- (x) Mr. A paid ₹ 2,500 for his professional tax

Compute the income from salary for the Assessment Year, 2021-2022.

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(3)

3. (a) Explain the provisions of tax deduction at source in regard to salary income. 9

Or

- (b) State some of the important provision of the Income-tax Act with regards to advance payment of tax. 9

4. (a) What is an Appellate Tribunal? Discuss the powers and functions of Appellate Tribunal. 2+7=9

Or

- (b) Discuss the revisionary power of commissioner of income tax as per the Income-tax Act. 9

5. (a) Explain the different income tax authorities and the powers enjoyed by them. 9

Or

- (b) Explain the structure of the Central Board of Direct Taxes. 9
