

2024

(FYUGP)

(3rd Semester)

COMMERCE

(Major)

Paper Code : BC/C6

(Income Tax Law and Practice)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

The figures in the margin indicate full marks for the questions

1. (a) Write notes on the following : 5×3=15

(i) Previous year

(ii) Assessee

(iii) Total income

Or

(b) Explain ten incomes which are exempted from tax. 15

(2)

2. (a) Mr. Agarwal is the owner of a house property in Dibrugarh. The house is let out at a rent of ₹ 12,000 p.m. Its municipal valuation is ₹ 1,00,000 p.a. and standard rent is ₹ 1,20,000. The house remained vacant for one month and rent for two months is outstanding. FRV is ₹ 1,30,000. Municipal Taxes paid is ₹ 2,000.

Compute the Net Annual Value for the Assessment Year, 2023-24.

15

Or

(b) Explain salary given u/s 15 of the IT Act. What are the features of salary?

3. (a) Mr. Sarma is the proprietor of a business. His Profit & Loss A/c for the year ended 31st March, 2023 is as follows :

General Expenses	30,000	Gross Profit	2,20,000
Rent and Rates	10,000	Bad Debts	
Bad Debt	5,000	recovered but	
Salaries	80,000	disallowed earlier	8,000
Interest on Capital	8,000	Rent received	
Income Tax	7,000	from employees	15,000
Depreciation	6,000	Interest from	
Sales Tax (due)	8,000	Govt. Securities	10,000

L25/150

(Continued)

(3)

Donations	7,000	Income from	
Advanced Income Tax	4,000	House Property	20,000
Motorcar	5,000	Interest from	
Advertisement (cash)	45,000	Debtors	4,000
Fire Insurance Premium	8,000		
Net Profit	54,000		
	<u>2,77,000</u>		<u>2,77,000</u>

General expenses include ₹ 4,000 by way of helping a poor student. Depreciation calculated according to the rates comes to ₹ 3,500. Sales tax was paid on 01.05.2023. Date of filing of return is 31.07.2023. 60% of motorcar expenses are for proprietor's personal use.

Compute his income from business.

15

Or

(b) What do you understand by the term Capital Gains? Discuss short-term and long-term capital gains.

3+12=15

4. (a) Mr. Dilip has given the following income. Compute his tax liability for the Assessment Year, 2023-24 :

15

(i) Basic salary—₹ 44,000 p.m.

(ii) Bonus—₹ 2,000 p.a.

(iii) DA—₹ 30,000 p.m.

L25/150

(Turn Over)

(iv) Medical allowance—₹ 600 p.m.

(v) HRA—₹ 60,000 p.a.; Rent paid—
₹ 6,000 p.m.

(vi) Interest on Fixed Deposit with
Bank—₹ 30,000

Or

(b) Explain the computation of total income
of individual.

5. (a) Explain appeals and the different
appellate authorities. 15

Or

(b) What is Income Tax Return? Explain the
different types of ITR forms used in
India. 3+12=15