

2024

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

Or

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

annual value (income from
property)? How is annual value

2+7=9

Or

Following particulars, find out
salary of Mr. A. K. Das
Muzahati (population less
and more than 10 lakhs) : 9
₹ 20,000 p.m.

(3)

(vii) He paid professional tax ₹ 2,000 p.a.
(viii) He received ₹ 400 p.m. as fixed
medical allowance

3. (a) What is tax deducted at source? Explain
the deduction of tax at
regard to salary

(2)

2. (a) What is annual value (income from house property)? How is annual value determined? 2+7=9

Or

- (b) From the following particulars, find out the taxable salary of Mr. A. K. Das working at Guwahati (population less than 25 lakhs and more than 10 lakhs) : 9

(i) Basic salary—₹ 20,000 p.m.

(ii) Dearness allowance @ 90% of salary (terms of employment as provided)

(iii) Employer's contribution to Employee's Recognized Provident Fund—15% of basic salary

(iv) Rent-free accommodation (unfurnished)—fair rent value is ₹ 90,000 p.a. Expenses on maintenance of garden met by employer ₹ 4,000

(v) Interest on provident fund balance @ 14% p.a.—₹ 5,600

(vi) A car (1.5 c.c. capacity) is provided by employer. All expenses are borne by employer. It is used both for office and private purposes. Car was used by employee for only 10 months during the year

(3)

(vii) He paid professional tax ₹ 2,000 p.a.

(viii) He received ₹ 400 p.m. as fixed medical allowance

3. (a) What is tax deducted at source? Explain the deduction of tax at source with regard to salaries. 2+7=9

Or

(b) What is 'Advance Payment of Tax'? Explain the provisions of the Income-tax Act in respect of advance payment of tax. 2+7=9

4. (a) Discuss briefly the procedure of appeals to the appellate tribunal. 9

Or

(b) Discuss the revisionary power of the commissioner of income tax as per the Income-tax Act, 1961.

5. (a) Briefly describe the organizational structure of income-tax authorities under the Income-tax Act. 9

Or

(b) Explain the powers and functions of the commissioner of income tax.

2024

(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 (T) or False (F) by putting a Tick (✓) mark :

1×5=5

(a) An Indian citizen is always considered as resident and ordinary resident of India.

(T / F)

(b) Interest on Public Provident Fund is exempt from tax.

(T / F)

(c) Perquisite can be only in monetary form.

(T / F)

(d) Exemption u/s 54 is allowed on sale of land.

(T / F)

(e) The last date of filing of return of income for a salaried individual is July 31 of the assessment year.

(T / F)

2. Choose the correct answer and place its code in the brackets provided : 1×10=10

(a) Residential status is determined for

(i) accounting year

(ii) assessment year

(iii) previous year

(iv) All of the above

[]

(b) Medical allowance received by an employee is

(i) fully taxable

(ii) fully exempt

(iii) exempted up to the amount of actual expenditure incurred on medical treatment

(iv) None of the above

[]

(c) Which of the following is **not** an 'income from other sources'?

(i) Winnings from crossword puzzles

(ii) Profit on sale of building

(iii) Gift in excess of ₹ 50,000 from an unrelated person

(iv) Interest on fixed deposits in bank

[]

(d) TDS rate on winning from lotteries if payment is made to a resident is

(i) 10%

(ii) 15%

(iii) 30%

(iv) 40%

(e) The due date of second instalment of advance tax for individual is

(i) 15th June of previous year

(ii) 15th September of previous year

(iii) 15th July of previous year

(iv) 15th December of previous year

(f) Which of the following Sections can be applied for deduction in respect of donation to Prime Minister Relief Fund?

(i) Section 80C

(ii) Section 80D

(iii) Section 80G

(iv) Section 80GG

(g) Income from business and profession come under

(i) Section 18 to 25

(ii) Section 28 to 44

(iii) Section 22 to 28

(iv) Section 43 to 56

(h) CBDT is created under the Central Board

(i) Revenue Act, 1961

(ii) Income-tax Organization Act, 1961

(iii) Revenue Act, 1963

(iv) Income-tax Act, 1961

(i) Standard deduction u/s 24 is

(i) 1/4 of net annual value

(ii) 1/5 of net annual value

(iii) 30% of net annual value

(iv) ₹ 10,000

(j) Death-cum-retirement gratuity is paid to a government employee.

(i) It is fully taxable

(ii) Government pays the tax

(iii) It is fully exempted

(iv) It is partially taxable

[]

3. Write short notes on the following : 2x5=10

(a) Person

(i) Revenue Act, 1961

(ii) Government pays the tax

(iii) Income-tax Act, 1961

(iv) Revenue Act, 1963

(v) Income-tax Act, 1961

(i) Standard deduction u/s 24 is

(i) 1/4 of net annual value

(ii) 1/5 of net annual value

(iii) 30% of net annual value

(iv) ₹ 10,000

(b) Capital gain

3. (c) Tax Deducted at Source (TDS)

(a) Person

(d) CBDT (Central Board of Direct Tax)

(e) Agricultural income
