

SYBAF sem III Reg & A.T.K.T. Exam Oct-2022

S.Y.B.A.F SEM- III Direct Tax

Time: 2 ½ Hours

12/10/22

total marks: 75



- N.B: 1) All questions are compulsory with internal choice  
2) Figures at right indicates full marks for question.  
3) Use of simple calculator is permitted.  
4) Working notes should form part of your answer.

**Q1. (a) State whether the following statements are true or false (any seven)**

(7)

1. Every person does not have to pay Income tax.
2. Gift received by lawyer from his client is income as per Income Tax Act..
3. A resident in India cannot become resident in any other for the same assessment year.
4. Total income of a person is determined on the basis of his citizenship in India.
5. Gratuity shall be fully exempt in case of employees of Central Govt. State Govt. and Local Govt.
6. Employer's contribution to statutory provident fund shall be exempt upto 12% of salary.
7. Depreciation is allowed in case of tangible assets only.
8. Income can be in cash or kind
9. Income from rural Agriculture land in India is exempted.
10. Dividend from co-operative society is exempt from tax.

**Q1. (b) Select the correct alternative and rewrite the sentences (any eight)**

(8)

1. Mumbai university is assessed to Tax as.
  - a. An Individual.
  - b. An artificial juridical person.
  - c. A Local Authority.
2. Capital asset for the purpose of capital gain does not include
  - a. Stock in trade
  - b. Residential flat used for commercial purpose
  - c. Shares and securities
3. Salary received by a partner from partnership firm is
  - a. Income from Salary
  - b. Income from Business
  - c. Income from other sources
4. Cost Inflation Index is applicable when there is
  - a. Long term capital gain
  - b. Business income
  - c. short term capital gain
5. Dividend received from credit co-operative society is
  - a. Fully Ex u/s 10
  - b. Partly taxable
  - c. Fully taxable
6. Smt. Divya received family pension of ₹ 81,000 during the P.Y 2021-22. She is eligible for standard deduction of

a. ₹ 15,000

c. ₹ 27,000

b. nil

7. Kamal has let out his residential house for commercial purpose. Rent received from such house is

a. Income from Business

c. Income from house property

b. Income from other sources

8. Mr. Suresh contributed for his girl child under the Sukanya Samridhi account scheme. He is entitled to a deduction.

a. U/s 80c

c. U/s 80D

b. U/s 80ccc

9. Unrealised rent is a deduction from

a. Net annual value

c. Gross Annual Value

b. Municipal Value

10. Reimbursement by employer of the expenses incurred by the employee for employer's business is.

a. Taxable as Income from Business

c. Taxable as Income from Salary

b. Not taxable at all

**Q.2. a)** Mr. Peter a German citizen came to India for the first time on 1st April 2017 and started a business in Kerala. He went out of India on 1<sup>st</sup> April 2021 and came back to India on first January 2022. (7)

Determine his Residential status for Assessment year 2022-23.

**b)** Mr. Hasan has earned the following income during the previous year ended on 31<sup>st</sup> March 2021. Compute his Gross Total Income for assessment year 2021-22 assume that he is – (8)

a) Resident and Ordinarily Resident.

b) Resident but not Ordinarily resident

c) Non-Resident

Particulars	Amount (₹)
1. Payment received in Dubai, for services rendered in Japan	1,20,000
2. Amount brought to India out of past untaxed profit earned in England.	5,40,000
3. Income from Business in Germany, controlled from India	2,30,000
4. Interest income earned and received in India.	1,90,000
5. Royalty income received from Indian Companies.	3,50,000
6. Income from Agriculture in Sri Lanka.	1,45,000
7. Dividend from Japanese company received in India.	1,50,000
8. Rent from house in Pune, received in Singapore.	1,80,000



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OR

(15)

Q.2. Mr. G receives the following emoluments during the previous year ending 31-3-2022:

Basic pay	₹4,00,000
Dearness Allowance	₹1,50,000
Commission	₹1,00,000
Entertainment Allowance	₹40,000
Medical Expenses Re-imbursed	₹10,000
Professional Tax Paid ₹3,000 (₹2,000 was paid by his employer)	

Mr. G contributes ₹50,000 towards recognized provident fund. He has no other income.

Determine the income from Salary for A.Y 2022-23, if Mr. G is a state Government Employee.



Q.3. Mr. Raman owns two houses constructed March 2010; one whose Municipal valuation is ₹2,50,000 is occupied by him for his own residence and the other, whose municipal valuation is ₹2,70,000 is let out of ₹27,500 per month. The expenses in respect of both the houses are (15)

Particulars	House I (S.O.P)	House II (Let-Out)
	₹	₹
Municipal Taxes	30,000	35,000
Land revenue	15,000	20,000
Interest on loan for construction of the house	35,000	42,500
Fire Insurance premium	20,000	20,000
Rent collection charges	-	20,000
Interest on mortgage (Loan taken for daughter's marriage)		75,000

Compute his income from house property for the assessment year 2022-23

OR

Q.3. Mr. X owns a soap factory at pune. Following is the Profit and Loss account prepared by him for the accounting year 2021-22 (15)

Particulars	₹	Particulars	₹
To GST (incurred during the year)	2,000	By Gross profit	75,000
To Advertising	5,000	By House Property Income	5,000
To Bonus	8,000		
To Commission	2,000		
To Depreciation	6,000		
To Donation	1,000		
To Embezzlement by an employee	2,000		
To General expenses	5,000		
To Salary to staff	10,000		
To Office expenses	5,000		
To Discount to retailers	3,000		
To Sundry expenses	5,000		
To Net Profit	<u>26,000</u>		
	80,000		<u>80,000</u>



(4)

Compute his business for the assessment year 2022-23. Further particulars-

- 1) GST paid during the year was ₹ 400. Total bonus paid during the year was ₹ 8,000 debited in the books and ₹ 11,000 provided for in preceding year but paid in current year.
- 2) Office expense include ₹ 1,050 paid as bribe.
- 3) General Expenses include ₹ 1,000 being the municipal taxes in respect of house property.

**Q.4.** Mr. Rahul, who is physically disabled to the extent of 65% , works in X ltd. A private company. From the following particulars of income provided for the previous year ended 31<sup>st</sup> March,2022, you are required to compute the net taxable income for assessment year 2022-23

(15)

Particulars	Amounts
1. Basic Salary	7,00,000
2. Dearness Allowance	3,00,000
3. House Rent Allowance (exempted upto ₹ 29,000)	90,000
4. RE-imbursement of Medical expenses	22,000
5. Perquisite value of Motor car, provided by employer for office as well as personal use.	40,000
6. Entertainment allowance received.	60,000
7. Profession tax paid.	2,500
<b><u>Other information</u></b>	
8. Directors sitting fees	1,00,000
9. Dividend from foreign company	5,000
10. Dividend from mutual fund	25,000
11. Best Citizen Award received from Government	10,000
12. He paid medical insurance premium for self	22,500

**OR**

**Q.4.** Mr. Raju acquired residential a house property on 1-3-1992 for ₹ 2,00,000. Additional information pertaining to the property is as follows. (15)

1. Fair Market value as 1-4-2001 was ₹ 2,40,000
  2. Cost of Improvement made by him
- | Financial Year | ₹        |
|----------------|----------|
| 1994-95        | 50,000   |
| 2006-07        | 1,20,000 |
| 2015-16        | 4,00,000 |
| 2016-17        | 3,80,000 |

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He sold the residential property on 25-1-2022 for ₹ 1,80,00,000.

He acquired a new residential house for ₹ 73,00,000 on 19-3-2022.

Expenses on transfer amounted to ₹ 75,000.

Compute the amount of taxable capital gains for the A. Y. 2022-23.

( Cost of Inflation Index : F.Y. 2001-02: 100, 2006-07: 122, 2015-16:254, 2016-17: 264, 2017-18:272, 2021-22:317 )

(15)

Q.5. (a) Define Capital Asset under Section 2(14)

(07)

(b) State any eight incomes chargeable to tax under the head "Profit and Gains From Business or Profession".

(08)

OR

Q.5. Write a short note (any three)

(15)

1. Deduction U/S 80C
2. Residential Status
3. Cost Inflation Index
4. Annual Value of House Property
5. Expenses paid in cash