

Roll No.

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Total No. of Pages : 03

Total No. of Questions : 09

BBA (2012 & Onwards Batches) (Sem.-4)

INCOME TAX ACT

Subject Code : BBA-405

Paper ID : [A2375]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.**
3. **Each Sub-section contains TWO questions carrying TEN marks each.**
4. **Student has to attempt any ONE question from each Sub-section.**

SECTION - A

1) Write short notes on the following :

1. Define the person.
2. Residential status of a company.
3. Explain the tax treatment of free medical facility under the head salaries.
4. Explain the treatment of preliminary expenses under section 351
5. Explain the computation of long term capital gain.
6. Explain Bond Washing Transactions.
7. Explain carry forward of business losses.
8. Explain deduction under section 80DD.
9. What is PAN?
10. Explain Best Judgment Assessment.

SECTION - B

UNIT - I

- 2) Define Agricultural Income. What is the tax treatment of agricultural income under income tax act?
- 3) *“The incidence of income tax depends upon the residential status of an assessee”*. Discuss fully.

UNIT-II

- 4) Name different kinds of provident funds of which a salaried person may be a member and state the income tax provisions regarding each.
- 5) Mr. K is assistant manager of a textile company of Jaipur, since 1986. He has submitted the following particulars of his income for the financial year 2013-14.
 1. Basic salary Rs 46,000
 2. Dearness allowance Rs 5,000 per month (Rs 200 per month enters into retirement benefits)
 3. Education allowance for two children at Rs 150 per month.
 4. Commission on sales 1% of turnover of Rs 10,00,0000.
 5. Entertainment allowance Rs 700 per month.
 6. Travelling allowance for his official tours Rs 30,000. The entire amount is spent on the official tour.
 7. He was given cloth worth Rs 1,000 by his employer free of cost.
 8. He resides in the flat of the company. Its market rent is Rs 2,000 per month. A watchman and a cook have been provided by the company at the bungalow who are paid Rs 400 per month each.
 9. He has been provided with a motor car of 1.8 ltr engine capacity for his official as well as his personal use. The running and maintenance costs are borne by the company.
 10. Employer's contribution to R.P.F is Rs 8,000 and the interest credited to this fund as 13% rate amounted to Rs 16,250.
 11. Contribution by Mr. K to R.P.F is Rs 5,400.
 12. Rent of house recovered from Mr. K is Rs 4,600.
 13. Tax deducted at source from the above payments Rs 6,000.

Compute income from salaries for the assessment year 2014-15. Assume the population of Jaipur is 26 lakh.

UNIT - III

- 6) Calculate the income from other sources of Ms R from the following particulars
1. Gift of Rs 5,00,000 from a friend.
 2. Gift of jewellery fair market value of which is Rs 3,00,000 from her fiancée.
 3. Gift of Rs 51,000 each received from her 4 friends on the occasion of her marriage.
 4. Gift of Rs 1,00,000 from her mother's sister.
 5. Gift of Rs 60,000 from her father's brother.
 6. Gift of Rs 50,000 from her father's friend.
 7. Gift of Rs 21,000 from her mother's friend.
 8. Gift of Rs 26,000 from her brother's father-in-law.
 9. Gift of Rs 1,21,000 from her husband's brother.
 10. Gift of Rs 26,000 from her employer.
 11. Scholarship of Rs 1,20,000 from a charitable institution registered under section 12AA.
 12. She has purchased an immovable property whose stamp duty value is Rs 24,90,000 from b who is not her relative for a sum of Rs 24,50,000.
- 7) Explain the provisions of income tax act regarding the set off and carry forward of losses under different heads of income.

UNIT-IV

- 8) What are the authorities provided by income tax act for the administration of tax? Discuss the powers of CBDT briefly.
- 9) Explain deductions in respect of certain payments under section 80 of Income Tax Act.