



163565

DCBC502

Reg. No.

--	--	--	--	--	--	--	--

V Semester B.Com. (Regular) B.D.A./T & T/L.S.C.M./I & AS/A & F

Degree Examination, January/February - 2025

COMMERCE

Income Tax Law and Practice - I

(CBCS Scheme - NEP F+R 2023-24 Onwards)

Paper : 5.2

Time : 2½ Hours

Maximum Marks : 60

Instructions to Candidates:

Answers should be written in English only.

SECTION - A

Answer any Five of the following sub-questions. Each sub-question carries 2 marks.

(5×2=10)

1. a) What do you mean by deemed assessee?
- b) Give the meaning of Gross Total Income.
- c) Mention any two powers of CBDT.
- d) Who is Deemed to be a Resident?
- e) State any two tax-free allowances.
- f) How do you treat gifts received from the employer?
- g) What is Municipal Rental Value?

SECTION - B

Answer any Four of the following questions. Each question carries 5 marks.

(4×5=20)

2. Briefly Explain any five canons of taxation.
3. State any five functions of Income Tax Officer.
4. Mr. Bhavesh, after 26 years of stay in India, left for England on April 1, 2022, and returned to India on December 15, 2023, to take up a salaried appointment. Determine his residential status for the Assessment year 2024-25.

[P.T.O.]



5. Mr. Vivek, retired after serving 33 years in JJ Pvt. Ltd. and received a gratuity of Rs. 5,00,000. At the time of retirement, his basic salary was Rs. 20,000 and a D.A. of Rs. 5,000 p.m. Mr. Vivek is covered under Gratuity Act of 1972. Compute taxable gratuity for the assessment year 2024-25.
6. Compute Net Annual Value from the following information.
- | | |
|----------------------|-------------------------|
| a) Municipal Value | 1,00,000 |
| b) Fair Rental Value | 1,80,000 |
| c) Standard Rent | 1,90,000 |
| d) Actual Rent | 1,85,000 |
| e) Vacancy Period | ½ month |
| f) Property Tax Paid | 12% of Municipal value. |

SECTION - C

Answer any Two of the following questions. Each question carries 12 marks.

(2×12=24)

7. Mr. Bharani furnishes the following particulars of his income for the previous year 2023-24:
- Interest on German Development Bonds Rs. 60,000 (2/5th received in India).
 - Income from agriculture in California (received these but later on Rs. 50,000 remitted to India) Rs. 2,80,000.
 - Income from a property in Sri Lanka received these (Rs. 80,000 spent in Sri Lanka, and the balance remitted to India) Rs. 2,20,000.
 - Share of income from partnership firm Rs. 20,000.
 - Dividend paid by an Indian company received in Canada Rs. 56,000.
 - Past untaxed foreign income brought to India Rs. 1,05,000.
 - Profit from business in Mysore but controlled by London Rs. 72,000.
 - Profit on sale of building in Mangalore but received in Dubai Rs. 1,18,000.
 - Pension from Indian company received in London Rs. 36,000.
 - A gift in cash received from a relative in India Rs. 60,000.
 - Interest on fixed deposits from Canara Bank Rs. 12,000.

Calculate the Gross Total Income for the assessment year 2024-25. If Mr. Bharani is

- a Resident and Ordinarily resident,
 - a Resident and Not ordinarily resident and
 - a Non-resident.
8. Ms. Rani is employed in Ashok Ltd., Chennai. She gives the following information for the financial year 2023-24:



- a) Salary of Rs. 30,000 per month.
- b) DA (10% frames the part of retirement benefits) Rs. 30,000.
- c) She has employed a domestic servant at Rs. 1,000 p.m. and his employer is paying the salary.
- d) Employer's contribution to RPF at 14% of salary.
- e) Interest credited to RPF at 9.5% p.a. Rs. 20,000.
- f) Children's Education Allowance Rs. 300 per month per child for three children.
- g) Hostel allowance for two children is Rs. 1,000.
- h) Conveyance allowance (official expenses Rs. 400 p.m.) Rs. 800 p.m.
- i) Overtime allowance Rs. 1500 p.m.
- j) Professional tax paid by Ms. Rani Rs. 200 p.m.
- k) Medical allowance Rs. 600 p.m.
- l) HRA by the employer is Rs. 20,000 p.m. but she pays a rent of Rs. 17,000 p.m.

Calculate the taxable salary of Ms. Rani for the assessment year 2024-25 (Ignore Alternative Tax Regime).

9. Mr. Prem is the owner of three houses. The particulars are as follows:

Particulars	Brahma Nilaya (Rs.)	Vishnu Nilaya (Rs.)	Shiva Nilaya (Rs.)
Fair Rent (p.a)	1,20,000	3,50,000	2,50,000
Municipal value (p.a)	1,50,000	1,40,000	1,70,000
Standard Rent (p.a)	1,45,000	1,42,000	1,55,000
Let out (p.a)	1,80,000	--	2,64,000
Unrealised Rent	--	--	10,000
Repairs	5,000	1,000	12,000
Interest on loan for construction	50,000	75,000	--
Municipal Tax	10% of Municipal value	12% of Municipal value	10% of Municipal value
Purpose of use	Let out for Residential	Self-occupied	Let out for Residential

Compute Income from house property for the assessment year 2024-25 (Ignore Alternative Tax Regime).

SECTION - D

Answer any One of the following questions. Each question carries 6 marks.(1×6=6)

10. List any 6 incomes exempt from tax under section 10 related to individuals.
11. Prepare a chart on the slab rate of individuals as per Old Tax Regime.