



HC-010-001504

Seat No. _____

B. B. A. (Sem. V) (CBCS) Examination

May / June - 2017

Business Taxation - I

(Core & Allied Business Taxation - I) (New Course)

Faculty Code : 010

Subject Code : 001504

Time : $2\frac{1}{2}$ Hours]

[Total Marks : 70

- Instructions :** (1) Working notes shall be treated as a part of the answer.
(2) This question paper consists of five questions and all the questions are compulsory.
(3) All the questions carry equal marks.

1 Define the following terms :

- (1) Company and Indian Company
- (2) Income
- (3) Agricultural Income
- (4) Dividend.

OR

1 Mr. Ronald, an Argentinian citizen who regularly visits India for 100 days every year since 2005-06.

Answer the following :

- (1) Determine his residential status for the A.Y. 2016-17.
- (2) What will be your answer if he visits 105 days every year instead of 100 days ?
- (3) Which incomes will be taxable for him in India in both the above situations ?

2 Write about the following :

- (1) Income of employees exempt from tax.
- (2) Interest income which are exempt from tax.

OR

- 2 What is exempted income ? Give illustrations : (any fifteen)
- 3 Answer the following :
- (1) Deduction U/s 80 G
 - (2) Deduction U/s 80-C and 80-D
- 3 Compute the taxable income and tax payable by Mr. Shyam for the A.Y. 2016-17 from the following informations :
- (1) Gross salary Rs. 4,05,000
 - (2) Royalty income (Gross) Rs. 40,000
 - (3) Expenses to earn royalty income Rs. 8,000.
 - (4) Interest on savings bank deposits Rs. 34,000
 - (5) Donation to an approved charitable institution Rs. 38,000
 - (6) Life Insurance Premium on own life Rs. 5,000.
 - (7) LIP on the life of his wife Rs. 3,000.
 - (8) LIP of his major son (not depended on him) Rs. 3,000
 - (9) LIP of dependent brother Rs. 2,500
 - (10) Contribution to recognized Provident Fund..... Rs. 22,000
 - (11) Term Deposit in scheduled bank for 5 years Rs. 31,000
 - (12) Contribution to ULIP Rs. 4,000
 - (13) Repayment of housing loan (interest Rs. 35,000) total amount paid ... Rs. 75,000.
 - (14) Subscription to units of UTI Rs. 12,000
- The housing loan was taken from LIC and he stays in his this house since 2010.
- 4 From the following particulars of salary income of Mr. Ram calculate his taxable salary income for the A.Y. 2016-17.
- (1) Basic salary Rs. 3,000 p.m. from 1.10.2015. This was increased by Rs. 1,000.
 - (2) Dearness Allowance (considered as part of salary) is 29,000 yearly.

- (3) Commission on sales Rs. 1,75,000.
- (4) House rent allowance Rs. 60,000 p.a. (rent paid Rs. 4,000 p.m.)
- (5) Transport allowance Rs. 1,500 p.m. (actual expenses Rs. 12,000 p.a)
- (6) Tour allowance for five trips Rs. 1,200 per trip (actual expenses per trip Rs. 1000).
- (7) Daily allowance for tour Rs. 250 per day for 60 days (actual expense paid during the year Rs. 9,600)
- (8) Uniform allowances Rs.,. 1,800 p.m. (actual expense Rs. 1,500 p.m.)
- (9) Research Assistance allowance Rs. 600 p.m. (actual expense Rs. 9000 p.a)
- (10) Education allowance for two children Rs. 6,000 yearly.
- (11) Entertainment allowance Rs. 6,000 annually.
- (12) Employer's contribution to RPF @ 15% of salary.

OR

4 Compute taxable salary income of Mr. Narayan for the A.Y. 2016-17 from the following informations :

- (1) Basic salary : He joined on 1.7.2012 in the grade of Rs. 7000-1000-14000.
- (2) Dearness allowance : 50% of basic salary.
- (3) Bonus and commission Rs. 62,500 p.a.
- (4) Entertainment allowance Rs. 500 p.m.
- (5) Children Education Allowance for one child Rs. 350 p.m.
- (6) The company has provided him a flat owned by the company. The company has provided furniture of Rs. 2,80,000.
- (7) The company has paid gardner salary of Rs. 1000 p.m.
- (8) The company has reimbursed medical expenses of Rs. 6,000 for the treatment of his family member.
- (9) A car was provided without driver. All the other expenses were borne by Mr. Narayan. The car was used for office and personal purposes. The car is 1.8 ltr. C.C.
- (10) The company contributes 15% of basic pay towards his recognized provident fund.

- (11) Interest credited to RPF @ 15% amounted Rs. 7,500.
- (12) The company has made the following deductions :
- (a) Own contribution to RPF 12% of basic pay
 - (b) Professional tax Rs. 2,400 annual
 - (c) Recovery of token rent for accommodation at 10% of salary.
 - (d) Recovery of excess commission Rs. 2,500.
- (13) His place of service is Surat having population of more than 25 lakhs.

5 Write about the following : (any three)

- (1) Powers of Income-tax officers.
- (2) Tax deducted at source.
- (3) Advance payment of Income-tax
- (4) Types of return
- (5) Permanent Account Number (PAN)
- (6) Central Board of Direct Taxes (CBDT).
