



**MCS-010-001504** Seat No. \_\_\_\_\_

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

**May / June - 2018**

**504 : Business Taxation**

**Faculty Code : 010**

**Subject Code : 001504**

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

[Total Marks : 70

- 1 From the following information, find out the residential status of Mr. JAY for the Assessment Year 2017-18 14

Date of arrival in India	Date of departure from India
20-4-2012	01-7-2013
01-1-2014	16-5-2014
12-1-2016	13-3-2017

**OR**

- 1 Following are the incomes of NEELMADHAV during the previous year relevant to assessment year 2017-18 : 14

- (1) Interest on Bank F. D. Rs. 60,000 (out of which Rs. 24,000 is received from foreign banks)
- (2) Pension paid by former Indian employer in Pakistan Rs. 2,70,000
- (3) Profit from business in Bangladesh (the business is controlled from Head Office situated at Rajkot) Rs. 6,40,000
- (4) Profit earned in earlier years at Sri Lanka and brought back in India Rs. 40,000

Determine the Total Gross Income under following circumstances:

- (A) If he is resident and ordinarily resident
- (B) If he is resident but not ordinarily resident
- (C) If he is non resident

- 2 Mr. Krish is a manager employed by GYANDEEP LTD. 14  
at Rajkot. The details of his salary and others received  
during the previous year 2016-17 are as under :
- (1) Basic salary Rs. 2,10,000
  - (2) Dearness allowance (treated as a part of salary for  
retirement benefits) Rs. 29,000 p.a.
  - (3) Commission on sales Rs. 1,75,000
  - (4) House rent allowance Rs. 60,000 p.a. (Actual rent paid  
Rs. 8,000 p.m.)
  - (5) Transport allowance Rs. 24,000 p.a.
  - (6) Tour (Travel) allowance Rs. 1,200 each for 5 trips  
(actual amount spent on each trip Rs. 1,000)
  - (7) Tour daily allowance Rs. 250 per day for 60 days in  
the year (actual amount spent Rs. 9,600 in total)
  - (8) Uniform allowance Rs. 900 p.m. (For purchase and  
maintenance actual amount spent for that purpose at  
an average rate Rs. 750 p.m.)
  - (9) Research assistance allowance Rs. 600 p.m. (Spent  
Rs. 9,000 during the year)
  - (10) Children education allowance Rs. 9,000 (for 2 children)
  - (11) Entertainment allowance Rs. 6,000 p.a.
- Compute his taxable salary for the assessment year  
2017-18

**OR**

- 2 The particulars of income of Smt. Dharmishtha for the 14  
assessment year 2017-18 are given below :
- (1) She joined the service (in a company at Delhi) from  
1-1-2014 in the grade of 20000-2000-30000-5000-60000  
with two increments. Two additional increments were  
also sanctioned on 1-1-2016 in appreciation of her  
special ability. D.A. is allowed @50% of basic pay.
  - (2) Bonus Rs. 36,250, Commission Rs. 12,000 and an  
annual entertainment allowance of Rs. 3,000 were also  
paid during the year.
  - (3) A furnished house was provided to her at a concessional  
rent, whose estimated fair rental value was Rs. 15,000  
p.m. The company has provided in the house furniture,  
refrigerator, etc. at a cost of Rs. 1,00,470. A token rent  
of Rs. 550 p.m. was deducted from her salary in respect  
of this perquisite.

- (4) She was provided a car for both the purposes. The running expenses of the car were met by the assessee.
- (5) Her contribution to Recognised Provident Fund was Rs. 37,400 while employer's contribution was Rs. 54,800. From the above information compute her taxable salary income.

**3** Mr. Hiren has made the following payments during the previous year 2016-17. **14**

- (1) Contribution towards Public Provident Fund..... Rs. 1,00,000
  - (2) Contribution towards recognised provident fund ..... Rs. 12,500
  - (3) Children's tuition fees (8,000 per child) ..... Rs. 32,000
  - (4) Life insurance Premium on the life of married daughter (sum assured Rs. 50,000).... Rs. 7,250
  - (5) Investment in National Saving Certificate IX ..... Rs. 20,000
  - (6) Repayment of housing loan for construction of self- residential house ..... Rs. 42,000
  - (7) Investment as a term deposit with SBI (for 1 year) ..... Rs. 30,000
- Compute the total qualifying amount and actual amount of deduction u/s 80 C for the previous year 2016-17

**OR**

**3** Compute the amount of deduction u/s 80 C for Shri KRISH (58 years old) **14**

- (1) Employee's contribution to recognised provident fund (@15% of basic salary) ..... Rs. 15,000
- (2) Premium paid on his life insurance policy (taken before 1-4-2012) of Rs. 40,000 ..... Rs. 9,000
- (3) Paid into Public Provident Fund A/C ..... Rs. 70,000
- (4) Contribution under ULIP of LIC ..... Rs. 12,000
- (5) Investment in the eligible shares of power sector company ..... Rs. 20,000
- (6) Deposit placed with, SBI (for 5-year period) ..... Rs. 16,000
- (7) Deposit placed with Dena Bank (for 1 year period) ..... Rs. 9,000

- 4 (A) What is Central Board of Direct Taxes? What functions are performed by it?  
(B) Objects and Powers of Settlement Commission

**OR**

- 4 (A) Discuss the provision of section 80-G in regards to deduction for donation.  
(B) Deduction u/s 80TTA in respect of interest on savings bank deposits.

5 Write short notes : (Any **Two**)

**14**

- (1) Belated Return
- (2) Slab System
- (3) Permanent Account Number
- (4) Advance Payment of Income Tax.