



PAU-010-001504

Seat No. _____

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

October / November - 2018

**Business Taxation - I
(Old Course)**

Faculty Code : 010

Subject Code : 001504

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

[Total Marks : 70

- 1 From the following information regarding income of Mr. Ram, find out his total gross income for different residential status : 14
- Interest received from development bonds Rs. 54,000.
 - Interest received from the property Rs. 1,23,000.
 - Income received from the business in Japan which is controlled from Mumbai Rs. 75,000. (Out of which Rs. 45,000 received in India.)
 - Interest received on fixed deposit with Indian company but from outside India Rs. 64,000.
 - Profit received from the business in India but managed from outside India Rs. 50,000.

OR

- 1 Mr. Rahim came to India for the 1st time on 1-4-2013, find out his residential status for the A. Y. 2018-19 : 14

Arrival

Departure

4-3-2014

5-5-2013

4-3-2016

5-5-2015

4-3-2018

1-5-2017

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5-5-2018

- 2 Explain any seven fully exempted income from the tax. 14

OR

- 2 Explain any seven examples of partly exempted income. 14

- 3 Explain deductions available under section 80u, 80c and 80 ccc. 14

OR

- 3 For the A. Y. 2018-19, total income of a person is Rs. 1,56,000 and if the tax rate is as follows : 14

(Imaginary tax rates)

Up to Rs. 50,000 Nil

Rs. 50,001 to Rs. 60,000 10%

Rs. 60,001 to Rs. 1,50,000 20%

More than Rs. 1,50,000 30%

Calculate his taxable income as per Step method and Slab method.

- 4 Write note on the following : 14

- (1) Types of Assessment
- (2) Permanent Account Number.

OR

- 4 Write note on the following : 14

- (1) CBDT
- (2) Powers of income tax officer.

- 5 Mr. Pestanjee joined a company on 1-4-2015 as an accountant in the salary scale of Rs. 9,000-500-15,000. Calculate his taxable salary for A. Y. 2018-19 : 14

- (1) D.A. @ 20% of basic salary.
- (2) Contribution to recognized provident fund (by both) @ 12% of salary.
- (3) City compensatory allowance @ Rs. 1,000 per month.

- (4) Interest @ 12% p.a. rate credited to RPF Rs. 2,400.
- (5) House rent allowance Rs. 1,000 per month.
- (6) Entertainment allowance Rs. 200 per month.
- (7) Travelling allowance Rs. 6,000. (Amount spend Rs. 4,000)
- (8) The company has provided 1.8 litres car partly for private use and partly for office use. All its expenses are met by the employee.
- (9) Free education facility at employer's school for a child of Mr. Ajay costing Rs. 15,000.
- (10) The company pays Rs. 6,000 for gas-water facility for his personal use.
- (11) Free lunch is provided on 200 days. (Cost per dish Rs. 100)
- (12) He has paid professional tax Rs. 2,400 and house rent of Rs. 30,000 p.a.

OR

5 Shri Hindustani is a Director-Employee of a Limited **14**
Company. Compute his gross income from salary for the
assessment year 2018-19 from the following detail :

- (1) Basic Salary @ Rs. 7,000 p.m. up to 30-9-'17 and thereafter increased to Rs. 9,000 p.m.
- (2) Dearness Allowance - 50% of Basic Salary
- (3) Commission on sales - Rs. 60,000
- (4) Entertainment Allowance - Rs. 500 per month
- (5) Educational Allowance - (he has one child) - Rs. 300 per month
- (6) The company (subject to FBT) has provided him a flat in Ahmedabad, which is owned by the Company. The Company has spent Rs. 3,81,400 to furnish his flat.

- (7) Company has also provided a gardener having salary of Rs. 800 per month paid by the company.
 - (8) The Company has reimbursed medical expenses incurred by him for his family members amounting to Rs. 15,000.
 - (9) The company has provided free transport facility to the family members of the employee (cost to employer Rs. 9,600)
 - (10) The employer deducts 10% of his basic salary towards rent of the flat given to him as his residence.
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