



RR-010-001504

Seat No. _____

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

February - 2019

504 : Business Taxation - I

(Old Course)

Faculty Code : 010

Subject Code : 001504

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

[Total Marks : 70

- Instructions :** (1) Give answers of all the questions in one proper sequence.
(2) Show working as a part of your answer.
(3) Figures to the right indicate full marks of the questions.

- 1 Mr. Smart (American Citizen) come to India on 10-1-2014 for the first time. He was present in India for the following period : 14

Financial Year	No. of days
2013-14	65
2014-15	300
2015-16	310
2016-17	54
2017-18	60

Determine his residential status for A.Y. 2018-19.

OR

- 1 Following are the incomes of Mr. Mayur during the P.Y. 2017-18 : 14
(a) Salary (taxable) ₹ 2,40,000.
(b) Interest on Bank Deposit (Out of which ₹ 15,000 is received from Foreign Bank) ₹ 20,000.

- (c) Profit from business in New York (Business is controlled from India) ₹ 2,00,000.
- (d) Pension from former employer in India received in New York ₹ 3,75,000.
- (e) Agricultural income earned in New York ₹ 2,50,000.
- (f) Profit from business at Bombay (controlled from New York and 50% of the profit is received in New York) ₹ 2,80,000.

Find out the total gross income for the A.Y. 2018-19 :

- If he is an ordinarily resident.
- If he is a resident but not ordinarily resident.
- If he is a non-resident.

2 Mr. Kavya is a Sales Manager employed by Paramount Ltd. at Bangalore. The details of his salary and other emoluments received during the P.Y. 2017-18 are as under : 14

- (1) Basic Salary ₹ 4,20,000 p.a.
- (2) D.A. (treated as a part of salary for retirement benefits) ₹ 42,000 p.a.
- (3) Commission on sales ₹ 1,75,000.
- (4) H.R.A. ₹ 60,000 p.a. (Actual rent paid ₹ 8,000 p.m.)
- (5) Transport allowance ₹ 24,000 p.a.
- (6) Tour (Travel) allowance : ₹ 1,200 each for strips (actual amount spent on each trip ₹ 1,000)
- (7) Tour daily allowance : ₹ 250 per day for 60 days in the year (actual amount spent ₹ 9,600 in total)
- (8) Uniform allowance ₹ 900 p.m. (for purchase and maintenance); actual amount spent for that purpose at an average rate of ₹ 750 p.m.
- (9) Research assistance allowance ₹ 600 p.m. (spent ₹ 9,000 during the year)
- (10) Children education allowance ₹ 9,000 (for 2 children).
- (11) Entertainment allowance ₹ 6,000 p.a.

Compute his taxable salary for the A.Y. 2018-19.

OR

- 2 Shri Mehta is the general manager of XY Ltd. and gets 14
a monthly salary of ₹ 24,000 and entertainment allowance
of ₹ 1,000 per month. He contributes 15% of his salary to
R.P.F. to which the company contributes ₹ 43,200. He has
been provided with a rent-free unfurnished house (in a city
having a population of less than 10 lakhs) whose rental
value is ₹ 1,20,000 p.a. He has also received ₹ 12,000 as
commission and two months salary as bonus during the year
2017-18. Interest @ 10.5% p.a. amounting to ₹ 21,000 was
credited to his P.F. A/c on 31-5-2017.
Compute his total gross income for the A.Y. 2018-19.

- 3 Rajubhai, who is a resident in India, is a person with 14
disability. He provides the following particulars of his
incomes and payments for the year ending 31-3-2018.
- Total Gross Income ₹ 6,26,000.
 - Donation to PMNRF ₹ 5,000.
 - Donation to Andhjan Mahamandal (approved fund)
₹ 96,000.
 - Premium on mediclaim policy (self) ₹ 12,000.
 - Medical treatment expenses of his father who is also
a person with disability and is dependent on him
₹ 90,000.
 - Deposit made in his Public Provident Fund A/c ₹ 50,000.
- Compute his total taxable income for the A.Y. 2018-19.

OR

- 3 Compute the deduction available U/S 80 G while 14
calculating the taxable income of Shri Raghupati for the
A.Y. 2018-19 :
- (1) Total Gross Income ₹ 4,46,000.
 - (2) Admissible deduction U/S 80C ₹ 1,50,000.
 - (3) Donations given during the year
 - (a) to p.m. National Relief Fund ₹ 11,000
 - (b) to Gujarat University ₹ 10,000
 - (c) to Prime Minister's Drought Relief Fund ₹ 20,000
 - (d) to the institution approved by the govt. for the
promotion of family planning ₹ 22,000.

4 Define 'Person' and 'Assessee' under Income Tax Act-1961. 14

OR

4 Define 'Agricultural Income' under Income Tax Act - 1961 14

Give ten examples of Agricultural Incomes which are exempt from income tax.

5 Write short notes : (any **four**) 14

- (a) Self Assessment
- (b) Best Judgement Assessment
- (c) Belated Return
- (d) Powers of Income Tax Officer
- (e) Gross Total Income
- (f) Roll of CBDT
- (g) PAN
