

**Sr. No. Of Question Paper :**  
**Unique Paper Code :** 52417601  
**Name of the Paper :** Corporate Tax Planning  
**Name of the Course :** B.Com. (P) CBCS  
**Semester :** Semester VI  
**Duration :** 2 hours  
**Maximum Marks :** 75 Marks

**Roll No.....**  
**C**

**Instructions for Candidates**

1. *Attempt any four questions out of six questions.*
2. *All questions carry equal marks.*
3. *Answers must be based upon the provisions of the Income Tax Act, 1961. The applicable assessment year is 2019-20.*

1. Tax management is essential for every assessee but tax planning is optional. Explain this concept with the help of any two examples.

2. Discuss the tax implications for a company in case where the scientific research assets are sold by the company without having been used for other purposes? Explain the concept with the help of an example.

3. What factors need to be taken in to mind from tax planning point of view when a manufacturer has to take a decision whether to manufacture a particular product in his own premises or to purchase it from outside?

4. Assuming that you have done a service for 10 months on a monthly basic salary of Rs. 2,00,000 during the previous year 2018-19. During the previous year 2018-19 itself, you went to another country for 2 months and earned the salary of Rs. 6,00,000 in these two months in that country. On this Rs. 6,00,000, you have paid Rs. 1,20,000 as tax in that country. Explain the provisions of double taxation relief which are applicable in this case assuming that you are a resident and ordinarily resident in India, and India has no double taxation avoidance agreement signed with the country from where you earned Rs. 6,00,000.

5. The management of X Ltd., a company, is thinking of converting it into a LLP. Can you suggest the provisions to the management which can help in avoiding the tax on capital gain on such conversion?

6. Mr. X started a unit in 2015. The balance sheet of the unit as on 31 March 2019 is as under:

Liabilities	Rs.	Assets	Rs.
Capital	17,00,000	Land (purchased on 1 June 2013)	20,00,000
Revaluation reserve	8,00,000	Building (WDV)	6,00,000
Bills payable	3,50,000	Plant & Machinery (WDV)	5,00,000
Creditors	6,50,000	Bills Receivables	50,000
		Stock	2,50,000
		Debtors	<u>1,00,000</u>
	<u>35,00,000</u>		<u>35,00,000</u>

*Other information –*

- i. Land was revalued in 2018 and the amount was credited to revaluation reserve account.

ii. Mr. X sold the unit on 1 April 2019 for lumpsum consideration of Rs. 46,00,000. Compute the amount of capital gains in this case of slump sale.