

SEMESTER-III

COURSE- B.COM(P)

SUBJECT-INCOME TAX LAWS & PRACTICE

ASSIGNMENT

Q.1 What do you understand by income tax? Discuss its main characteristics.

Q.2 Write notes:-

- (a) gross total income
- (b) total income.
- (c) assessment year
- (d) previous year

Q.3. How is the residential status of an Assessee determined for income tax purposes? Discuss the influence of residence on tax liability.

Q.4 Discuss the rules of valuation of perquisites under the head of salary in income tax act?

Q.5 Write short notes on the following –

- i. Interest on loan taken for construction.
- ii. Recovered of unrealized rent.

INTERNAL EXAMINATION

Q.1. Discuss the following with examples- (6)

- (1) Ordinary resident,
- (2) not –ordinary resident,
- (3) non- resident

Q.2. Mr. Scott who is citizen of Germany has been staying in India since 2004. He leaves India for the first time on 14th July, 2012 on a visit to Germany and comes back on 8th January, 2013. Determine his residential status for the previous year 2012-13. (4)

Q.3. Shree Ramesh has the following income for the financial year 2014-15. (5)

- 1. Income from property situated in London 40000
- 2. Income from salary received in India for services rendered in London 28000
- 3. Profit from business in London controlled from India 120000
- 4. Profit from Kanpur business 110000

5. Agricultural income in India 10000

Compute the income of shree Ramesh for the assessment year 2015-16. If he is not ordinary resident in India

Q.4.State any four expressly allowed deduction for calculating income from business. (4)

Q.5. Write notes on- (6)

- i. Amortization of expenditure on acquisition of patent or copyrights.
- ii. Expenditure on scientific research.

MULTIPLE CHOICE QUESTIONS

Tick the correct option in the following questions:

Q.1. Residential status is to be determined for

- a) previous year
- b) assessment year
- c) accounting year
- d) both previous year and assessment year

Q. 2. Total income of a person is determined on the basis of his:

- a) residential status in India
- b) Citizenship in India
- c) none of the above
- d) both a and b

Q.3. Leave Travel concession is a tax free perquisite:

- a) for one journey in a block of 4 years

- b) one journey per year
- c) two journey in a block of 4 years
- d) one journey in a block of 2 years

Q.4. Ram is entitled to Children education allowance @ Rs 80 p.m. per child for 3 children amounting Rs240 p.m. It will be exempt to the extent of:

- a) Rs 200 p.m.
- b) Rs 160p.m.
- c) Rs 240 p.m.
- d) Nil

Q. 5. A has two house properties. Both are self occupied. The annual value of:

- a) both house shall be nil
- b) one house shall be nil
- c) no house shall be nil
- d) both houses shall be determined as if these are let

Q.6.Unabsorbed depreciation which could be set off in the same assessment year, can be carried forward for:

- a) 8 years
- b) indefinitely
- c) 4 years
- d) 10 years

Q. 7. Donation to approved and notified association for scientific research shall be allowed as deduction to the extent of:

- a) 125% of the donation so made
- b) 100% of the donation so made
- c) 175% of the donation so made
- d) 150% of the donation so made

Q.8. Dividends declared by Unit Trust of India or mutual fund is:

- a) fully exempt in the hands of unit holders
- b) fully taxable in the hands of unit holders
- c) taxable but deduction is allowed under section 80L
- d) none of the above

Q. 9. An individual has received a gift of Rs 60,000 each during the previous year from his two friends , the amount taxable under the head income from the other sources shall be:

- a) Rs20,000
- b) Rs 1,20,000
- c) nil
- d) Rs 70,000

Q.10. If any income has to be clubbed under section 64, it will be clubbed under the:

- a) head income from other sources
- b) relevant head to which it belongs
- c) head income from business
- d) none of the above

Answer Key:-

1.a	4.b	7.d	10.b
2.a	5.b	8.a	
3.c	6.b	9.b	