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**(21119)**

Roll No. ....

Total Questions : 13 ]

[ Printed Pages : 4

**18063**

B.B.A. Vth Semester Examination, Nov., 2019

**INCOME TAX LAW AND ACCOUNT**

(BBA-504)

*Time : 3 Hrs. ]*

*[ M.M. : 75*

*Note :-* Attempt questions from all Sections as per instructions.

**Section-A**

**(Very Short Answer Type Questions) 3x5=15**

*Note :-* Attempt all the *five* questions. Each question carries 3 marks. Very short answer is required not exceeding **75** words.

1. Distinguish between 'Tax Planning and Tax Evasion'.
2. Define Assessee.

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Turn Over

3. Casual Income.
4. Distinguish between exemptions and deductions under Income Tax Act.
5. Explain the Assessment Year.

**Section-B**

**(Short Answer Type Questions) 7½x2=15**

*Note :-* Attempt any *two* questions. Each question carries **7½** marks. Short answer is required not exceeding **200** words.

6. Define Agricultural Income. State with example how is tax computed on agricultural income.
7. Discuss the provisions of Income Tax Act regarding exemption of following incomes :
  - (i) Gratuity
  - (ii) House Rent Allowance
8. Define Transfer. What are the transactions which are not regarded as transfer for computation of capital gains ?

**Section-C**

**(Long Answer Type Questions) 15x3=45**

*Note :-* Attempt any *three* questions. Each question carries 15 marks. Answer is required in detail.

9. Tax liability depends upon the residential status of an assessee. Explain in detail.

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10. Explain the provisions of the Income Tax Act in the cases :

- (i) Deduction U/S 80D
- (ii) Deduction U/S 80TTA
- (iii) Deduction U/S 80U

11. The particulars of Mr. Manoj's income are as follows :

- (i) Salary (after deducting ₹ 48,000 for income tax at source) ₹ 3,60,000 p.a.
- (ii) Dearness allowance (under the terms of employment) ₹ 42,000 p.a.
- (iii) Education allowance (for 3 children) ₹ 15,700 p.a.
- (iv) Medical allowance (actual medical expenditure ₹ 14,000) ₹ 37,200 p.a.
- (v) Rent free house (in Jaipur) the company paid ₹ 8,000 per month as rent the house is furnished and the rent of furniture is ₹ 25,050 p.a.
- (vi) A domestic servant, a sweeper and a watchman were paid by the company ₹ 1,250 per month each.
- (vii) Expense of ₹ 8,000 borne by the company for refresher course.
- (viii) His contribution to R.P.F. ₹ 31,000 and employer's contribution ₹ 36,000.

(ix) The company has provided a free telephone at Mr. Manoj's residence and paid bill amounting to ₹ 8,000.

(x) Professional tax ₹ 7,000. He furnishes Income tax return. Compute taxable income from salary for the assessment year 2019-20.

12. Mr. A purchased a residential house for ₹ 50,000 in 1970. He spent ₹ 20,000 on this house in 1974. Part of the house was let out for a rent of ₹ 600 per month. He entered into an agreement of sale of this house with Deepak in 1987-88 and sale value fixed was ₹ 1,00,000. But the deal could not be finalised because Mr. Deepak could not pay the amount. Mr. A forfeited the advance amount of ₹ 5,000 received from Deepak. Mr. A got a new floor constructed in 2003-04 for ₹ 30,000. He sold this house on 15.07.2018 for ₹ 11,00,000 and paid 2% brokerage. Fair market value on 01.04.2001 was ₹ 80,000. Calculate capital gains for the assessment year 2019-20. Cost inflation Index : 2001-02-100; 2003-04-109; 2018-19-280.

13. Discuss the provisions of set-off and carry forward and of the following losses :

- (i) Loss from business
- (ii) Short-term capital loss
- (iii) Loss from lottery