

MBA-602**MSP-32**

**M.B.A. DEGREE EXAMINATION –
JUNE 2008.**

(AY 2005–2006 onwards)

TAX MANAGEMENT

Time : 3 hours

Maximum marks : 75

Answer for 5 marks questions should
not exceed 2 pages.

Answer for 10/15 marks questions should
not exceed 5 pages.

PART A — (3 × 5 = 15 marks)

Answer any **THREE** questions.

Each question carries equal marks.

1. Who is known as “Assesee”?
2. Define “Salaries”.
3. What is meant by “Business,” under Income Tax Act?
4. Briefly explain the provision relating to set-off of losses from casual incomes.
5. What are the prerequisites for Hindu undivided family?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

6. Explain the difference between Capital Expenses and Revenue Expenses.
7. Mr. Ram had taken a shop on rent at monthly rent of Rs. 2,000. He has sub-let 25% of the area to Mr. D.K. Raj at Rs. 1,000 per month. He incurred Rs. 4,000 on repairs of the shop. Calculate his income from sub-letting.
8. Explain the provisions of Income Tax Act 1961 regarding carry forward.
9. What are the provisions of Income Tax Act regarding the clubbing of income of spouse and other family members in the income of individual? Explain.
10. Explain the provisions of the Income Tax Act regarding the assessment of a partnership firm as assessee under section 185.
11. Define the term perquisite and how are they treated for income tax purpose?
12. What deductions are allowed from the annual value in computing taxable income from house property? Explain.