

MBA-182

MSP-32

**M.B.A. DEGREE EXAMINATION —
JUNE, 2010.**

Second Year

TAX MANAGEMENT

Time : 3 hours

Maximum marks : 75

PART A — (3 × 5 = 15 marks)

Answer any THREE questions.

All questions carry equal marks.

1. Define :
 - (a) Income
 - (b) Person.
2. What do you understand by the term 'business' and 'profession'?
3. What are the provisions of law relating to preliminary expenses?
4. How will you assess the taxable income of an individual?
5. What are the salient features of the taxation scheme for a firm?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

6. Distinguish between capital and revenue expenditure.
7. What are the exceptions to the rule that the income of the previous year is assessed to tax in the assessment year?
8. Mr. Babu received the following income during 2006-07. Compute taxable income under 'other sources' separately for each case :
 - (a) (i) Winning from Sikkim Lottery (Net)
Rs. 13,880
 - (ii) Winning from Horse races Rs. 2,000
 - (iii) Winning from cross word puzzle
Rs. 4,000
 - (iv) Winning from card games Rs. 10,000.
 - (b) (i) Winning from lottery Rs. 2,000
 - (ii) Winning from horse races (Net)
Rs. 20,820.
9. Give at least 10 examples of income from other sources.

10. How will you distinguish between capital gain and income? Why is it important to make this distinction?
11. Explain the different types of companies.
12. How would you compute the taxable income of a firm?
