

Roll No.

Total No. of Pages: 03
Total No. of Questions: 07

B.COM (Sem.-5th)
INCOME TAX-I
Subject Code: BCOP-502
Paper ID:B-1151

Time: 3 Hrs.

Max. Marks:60

INSTRUCTION TO CANDIDATES:-

- 1. SECTION-A is compulsory.**
- 2. Attempt any four questions from Section-B**

SECTION - A

10x2=20

Q1 Write short notes:

- Define salary [Sec. 17(1)]
- Not-ordinary resident
- Recognized provident fund
- Less tax securities
- Adjusted annual value
- Written down value [43(6)]
- Long term capital gains
- Block of assets [2(11)]
- Deduction under [Sec, 80D]
- Carry forward and set off of loss from house property.

SECTION - B

4x10=40

Q2 X submits the following information relevant for the previous year ending on March 31, 2013:

Profits of business A carried on in India	Rs. 180000
Loss of business B carried on in India.	(-) 130000
Profits of business C carried on in Canada (Income is earned and received in Canada and business is controlled from Canada)	140000
Loss of business D carried on in Canada (though profits are not received in India, business is controlled from Delhi)	(-)170000

Unabsorbed depreciation of business D	152000
Income from the property situated in india.	112000
Income from property situated in Canada (received in Canada)	117000

Determine the net income of X for the assessment year 2013-14 on the assumption that he is
(a) a resident and ordinarily resident in India (b) resident but not ordinarily resident in India,
(c) non-resident in India.

Q3 X is a salaried employee. His basic salary is Rs. 40000 per month. He gets one month salary as bonus. He has been provided a rent free unfurnished house which is owned by the employer company at the place of his posting, i.e., Chennai. He gets bank fixed deposit interest of Rs. 10000. He makes the following investments/deposits every year.

Life insurance premium on his own life (sum assured Rs. 80000) (policy taken in July 2012)	Rs. 9000
Notified equity linked saving scheme of UTI.	12000
Repayment of loan taken on July 1, 2002 for purchasing a house property which is self occupied by his family at Pune	27000
Payment of interest on above loan	160000
Tuition fees of two children (14000 + 26000)	40000
Notified bonds of infrastructure company	3000
Deposit in home loan scheme of NHB	9000
Mediclaim insurance premium	16000
Pension fund of LIC qualified for deduction u/s 80CCC	14000

On March 10, 2011, he purchases Rs. 10000 National Saving Certificate VIII issue. No other investment is made by X. Find the out net income and the tax liability for the assessment year 2013-14.

- Q4 a) Explain short terms capital assets and long term capital assets.
b) Describe the method of computing income under head income from other sources.
- Q5 a) State the circumstances in which the income of a minor child and the wife of an assessee are included in his total income.
b) Write a note on income from house property in foreign country.
- Q6 Discuss the provisions of Income tax Act relating to the set off and carry forward and set-off of losses.
- Q7 X owns a residential house property. It has two equal residential units-Unit 1 and Unit 2. While Unit 1 is self occupied by X for his residential purpose, Unit 2 is let out (rent being Rs. 6000 per month, rent of two months could not be recovered). Municipal value of the property

is Rs. 1300000, standard rent Rs. 125000 and fair rent is Rs. 140000. Municipal Tax is imposed @ 12 percent which is paid by X. Other expenses for the previous year 2012-13 being repairs: Rs. 250, insurance Rs. 600, interest on capital (borrowed during 1997) for constructing the house property: Rs. 63000.

Find the income of X for the assessment year 2013-14 on the assumption that income of X from other sources is Rs. 180000.

---END---