

Roll No. ....

## **BBA–601**

### **Taxation Laws**

(कराधान सन्नियम)

Bachelor of Business Administration

(B. B. A.-10/12/16/17)

Sixth Semester, Examination, 2018

**Time : 3 Hours**

**Max. Marks : 80**

**Note :** This paper is of **eighty (80)** marks containing **three (03)** Sections A, B and C. Attempt the questions contained in these Sections according to the detailed instructions given therein.

#### **Section–A**

##### **(Long Answer Type Questions)**

**Note :** Section ‘A’ contains four (04) long answer type questions of nineteen (19) marks each. Learners are required to answer *two* (02) questions only.

1. Define the term ‘Perquisites’ with examples. Explain the method of valuation of furnished rent free accommodation provided by the employer to an employee.
2. Explain clearly the deductions that are expressly allowed in computing the income from business under the Indian Income Tax Act, 1961.
3. (a) Define ‘Annual value’ and state the deductions that are allowed from the annual value in computing the Income from House property.

- (b) From the following information determine the annual value of the house :

	₹
Municipal value	80,000
Fair Rent	1,20,000
Standard Rent	1,00,000
Actual Rent	15,000 per month
Municipal Tax paid by owner	10,000

The house was self-occupied for four months and then let out.

4. Mr. X is employed in a private company in Dehradun on a monthly salary of ₹ 50,000 per month and a fixed commission at the rate of 1% on turnover. The sales effected by him during the previous year amounted to ₹ 50 lakh. He was paid D. A. at the rate of ₹ 12,000 per month. He stays in his own house. The employer has contributed 15% of his salary to a recognised P. F. and the similar amount was contributed by Mr. X. Interest credited on the balance of his P. F. @ 9.5% which amounted to ₹ 38,000 during the previous year.

Compute his total income for the assessment year 2017-18.

**Section-B****(Short Answer Type Questions)**

**Note :** Section 'B' contains eight (08) short answer type questions of eight (8) marks each. Learners are required to answer *four* (04) questions only.

1. What is agricultural income ?
2. Discuss the rules for valuation of rent free accommodation provided by the employer.
3. Explain the provision of Section 80C of Income Tax Act regarding deduction from GTI.
4. What are the rules regarding exemption of capital gains ?
5. Explain clearly the meaning of (a) tax free government securities and (b) less tax securities.
6. State the provisions regarding set off of capital losses.
7. Give examples of six income which are taxable under the head 'Income from other sources'.
8. Distinguish between 'Assessment year' and 'Previous year'.

**Section-C****(Objective Type Questions)**

**Note :** Section 'C' contains ten (10) objective type questions of one (01) mark each. All the questions of this section are compulsory.

Indicate whether the following are True *or* False :

1. The taxable income is rounded off to the nearest multiple of one Rupee.
2. Revenue receipts are always taxable unless they are expressly exempt from tax.

3. Foreign income of a non-resident is not taxable in India.
4. Servent allowance is fully taxable for all categories of employees.
5. Loss from house property can be set off against any other head of income.

Fill in the blanks.

6. Deduction in respect of maintenance/medical treatment of a dependent who is a person with disability is allowed under Section ..... .
7. Exemption can never exceed the amount of ..... .
8. If income is received in India, it is always to tax ..... .
9. Payment received by member of the family from family income of HUF is ..... from tax.
10. Loss from business/profession cannot be set off against ..... income.