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Roll No.....

BBA-601

Taxation Laws

(कराधान सन्नियम)

Bachelor of Business Administration

(BBA-10/12/16/17)

6TH Semester, Examination-2019

Time : 3 Hours

Max. Marks : 80

Note : This paper is of Eighty (80) marks divided into two (02) Sections A and B. Attempt the questions contained in these sections according to the detailed instructions given therein.

Section–A

(Long Answer Type Questions)

Note : Section 'A' contains Five (05) long-answer-type questions of Fifteen (15) marks each. Learners are required to answer any three (03) questions only. **(3×15=45)**

1. Explain how the tax liability of an assessee is determined with reference to his residence?

- (g) Medical Allowance Rs. 1200 p.m.
- (h) He has been provided with a large car for both official and personal one. Employee bears all the expenses of the car.
- (i) He is provided an unfurnished house by the employer in a city (Population 12 Lakh). The fair rental value of the house is Rs. 90,000 p.a, Employer charges Rs. 2000 from him per month as rent.

5. Mr. A has four houses, the municipal value of which are Rs. 10,000, Rs. 8,000, Rs. 6000 and Rs. 6000 respectively. He lives in the first house. In the second house he runs his business. The third house is let out for Rs. 400 per month. A loan was taken on 1st April, 2013 for the construction of the fourth house, the construction of which began on 1st May, 2013 and ended on 31st January 2015. The house was let out on 1st February, 2015 @ 600 per month. For the previous year 2018-19 the interest paid by him in respect of loan amounted to Rs. 800 and for the previous years 2013-14 and

2014-15 the interest paid has been Rs. 1500 and Rs. 1400 respectively. Municipal taxes were assessed and paid @ 10% of the municipal valuation.

Ascertain his income from house property for the assessment year 2019-20.

Section–B

(Short-Answer-Type Questions)

Note : Section 'B' contains Eight (08) short-answer-type questions of Seven (07) marks each. Learners are required to answer any Five (05) questions only. **(5×7=35)**

1. Differentiate between Gross Total Income and Total Income.
2. What is meant by perquisites? Give five examples of tax free perquisites.
3. What are the deductions allowed from the annual value of house property.
4. What are the rules regarding exemption of capital gains.

2. What is exempted income? Describe the exempted income for all assesseees under the Income Tax Act.
3. Explain clearly the deductions that are expressly allowed in computing the income from business.
4. Compute the taxable income under the head salary of Mr. X (an employee of a company) for the assessment year 2019:20 :
 - (a) Salary Rs. 60,000 p.m.
 - (b) D.A. Rs. 10,000 p.m.
 - (c) Entertainment Allowance Rs. 1000 p.m.
 - (d) Employer's contribution to Recognised Provident Fund Rs. 88,800. His own contribution was Rs. 88,800.
 - (e) Interest @ 10% p.a. on credit balance of Recognised P.F amounted to Rs. 50,000.
 - (f) City Compensatory Allowance Rs. 500 p.m.

5. What is meant by grossing up of interest?
6. Define unabsorbed depreciation.
7. What are the provisions of Income Tax Act regarding set off and carry forward of losses?
8. Explain the deduction allowed in respect of donations to certain funds and charitable institutions under section 80G.