

**BBA 6th Semester (NS) 2014-17**

**Examination, May-2023**

**INCOME TAX**

**Paper-BBAN-601**

*Time allowed : 3 hours]*

*[Maximum marks : 80*

**Note : Section-A is compulsory. Attempt four questions from Section-B (one question from each unit). All questions carry equal marks.**

**Section-A**

1. Write short note on :
  - (a) Previous year vs. Assessment year
  - (b) Income deemed to be received in India.
  - (c) Approved superannuation fund
  - (d) Amortisation of Preliminary Expenses U/S 35 D
  - (e) Tax free securities
  - (f) Set off of gambling losses
  - (g) Deduction U/S 80 RRB in respect of royalty on Patents
  - (h) Income earned as a member of an association of persons

**Section-B**

**Unit-I**

2. Enumerate any ten items of Income which do not form part of Total Income.

3. How does the tax liability of a not ordinarily resident person differ from that of a resident and ordinarily resident person under the Income-Tax Act ? Explain.

**Unit-II**

4. Diya owns a house Property in Delhi which is let out for Rs. 10,000 p.m., the municipal value of which is Rs. 1,00,000 and municipal taxes were 25% of municipal valuation. Diya paid during the Previous year municipal tax of 6 year which relate to Past 5 years as well as for the current year. The other expenses of the property were as under :

	Rs.
Repairs	5,000
Insurance Premium	2,000
Interest for purchase of house	11,000
Ground Rent due	2,000

Compute Income of Diya from house Property for the assessment year 2021-22.

5. Section 17(2) of the Income-Tax Act arrays a number of benefits arising from employment which are not in the nature of monetary income but they are assessed as a Salary Income. Explain briefly the types of these benefits and conditions under which they are taxed as Salary Income.

**Unit-III**

6. What is capital gain ? What are the kinds of capital gains and explain the procedure of computation of capital gain?

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7. Which deductions are allowed on Computing taxable Income under the head 'Income from other Sources'? Explain.

#### Unit-IV

8. Discuss the Provisions of Section 80 C of The Income Tax Act, 1961 relating to deduction on amount of Life Insurance Premium, Provident Fund Contribution etc.
9. From the following particulars of Income of Mr. B.S. Mittal for the year ended on 31.03.2021. Calculate the Income for the assessment year 2021-22.

	Rs.
(i) Salary	8,000 p.m.
(ii) Interest received from Bank of India on Fixed deposit.	900
(iii) Interest received from DCM Ltd. on fixed deposits	3,000
(iv) Interest received from Government Securities	6,300
(v) Dividend received on equity shares on DCM Ltd.	1,200
(vi) Dividend received from Co-operative society	2,000

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- (vii) Dividend received from units on Unit Trust of India
- 1,000
- (viii) He owns a Poultry farm also. Its Profit for the Previous year amounted
- 81,000
- (ix) He sold his residential house on 11.04.2020 for Rs. 2,80,000 which he had purchased in 1980 and its fair market value on 01.04.1981 was
- Rs. 30,000
- (x) He sold equity Shares of DCM Ltd. on 05.12.2021 through a recognised stock exchange which were allotted to him Bonus share in 2001.
- 45,000
- (xi) Purchased National savings Certification IX issued on 31.03.2021
- 10,000
- (xii) Interest on Capital and Loan to Partnership firm @ 15% p.a.
- 1,50,000
- (xiii) Salary from partnership firm. The firm was allowed deduction u/s 40(b)
- 1,80,000
- (xiv) Share of Profit from firm
- 98,000
- (xv) Share of Profit from HUF
- 84,000

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