



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – CORPORATE SECRETARYSHIP

SIXTH SEMESTER – NOVEMBER 2024

UBC 6501 – INCOME TAX II



Date: 16-11-2024

Dept. No.

Max. : 100 Marks

Time: 01:00 pm-04:00 pm

SECTION A - K1 (CO1)

Answer ALL the Questions

(10 x 1 = 10)

1. Definition.

- Business Income.
- Casual Income.
- Inter source adjustment.
- Specific deductions.
- E-filing.

2. Fill in the blanks.

- Income tax paid by the company is ____.
- Interest on post office savings bank account is exempted upto Rs. ____.
- Gift from a relative is ____ from paying tax.
- ____ section offers deductions for rent paid when HRA is not received.
- TAN stands for ____.

SECTION A - K2 (CO1)

Answer ALL the Questions

(10 x 1 = 10)

3. Match the following.

- | | | | |
|----|-----------------------------|---|-------------------------|
| a) | Overvaluation of stock | - | 80 GGC. |
| b) | Gift under will | - | Long term capital gain. |
| c) | Short term capital loss | - | Decrease in profit. |
| d) | Donation to political party | - | Reimbursement. |
| e) | Tax refund | - | Exempted. |

4. True or False.

- Undervaluation of closing stock decreases the actual income.
- Tax free debentures should not be grossed up.
- Minor's income from TV show is taxable for the parents.
- Deduction under 80C is towards the contribution to RPF.
- Income tax slab for Rs. 6,00,000 to Rs. 9,00,000 is 10%

SECTION B - K3 (CO2)

Answer any TWO of the following in 100 words each.

(2 x 10 = 20)

5. Kumar, a lawyer by profession keeps his cash book as per cash system of accounting. The following is the summary of his cash book for the year ended 31st March, 2024.

Receipts	Rs.	Payments	Rs.
To balance	5,000	By rent of chamber	2,400
To fees	35,000	By car expenses	3,600
To remuneration as examiner	3,000	By household expenses	12,000
To interest on bank deposits	2,500	By local taxes for the house	1,200
To rent from house property	8,000	By repairs of the house	4,000
To dividends	1,600	By LIC premium for self	4,800
		By cost of books for profession	4,000
		By medical treatment of self	5,000
		By balance	18,100
	55,100		55,100

Additional information:

- ½ of the house is used by Kumar for his own residence.
- Kumar is insured for Rs. 40,000
- Kumar has to get medical treatment for an eye ailment caused by intensive study of law books.
- ½ of the car expenses relate to personal use of the car by Kumar.

Compute his income from profession.

6. Compute income from other sources of Miss. Anu from the following details furnished:
- She holds Rs. 50,000, 10% tax free government securities.
 - She received Rs. 10,000, interest on Tamil Nadu State Government securities.
 - She holds Rs. 1,00,000, 10% tax free debentures of P&R Co. Ltd. (listed).
 - Rs. 12,000, interest was received by her on tax free securities of a Ltd. Company.
 - Rs. 60,000, 15% debentures are held by her in a Ltd. Company.
 - Rs. 8,000, interest was received by her on securities of a paper mill company. (Listed).

7. Master Ajay (Age 16 years) received following incomes during 2023-24.

Particulars	Rs.
Interest on bank deposits	75,000
Interest on government securities	80,000
Interest on debentures	40,000
Income by acting in a film	1,00,000
Income by a singing concert held by him	50,000
His father's total income	1,09,000
His mother's total income	1,09,100

Decide about the person in whose hands the above incomes shall be taxable and the amount of income to be taxed.

8. Elaborate the exceptions to the provisions relating to the intra-head set off.

SECTION C – K4 (CO3)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

9. Mr. Basu received the following incomes during the year 2023-24. Compute taxable income under the head 'income from other sources', separately for each case.
First case:
a) Winnings received from Sikkim lottery Rs. 70,000.
b) Winnings from horse races Rs. 2,000.
c) Winnings from crossword puzzles Rs. 4,000.
Second case:
a) Winnings from lotter Rs. 2,000.
b) Winnings received from horse races Rs. 56,000.
10. The income of family as under:
a) Mr. Ram from business Rs. 1,50,000
b) Mrs. Ram from employment Rs. 80,000
c) Minor son of Mr. Ram (interest from a company). The amount of investment received from his grandfather Rs. 10,000.
d) Minor son of Mr. Ram, Mr. Krishna (from acting in film) Rs. 60,000.
e) Minor daughter of Mrs. Ram, Miss. Anjali Rs. 6,000.
Discuss in whose hands the incomes are assessable and to what extent?
11. From the following particulars, compute the total income of Mr. David for the assessment year 2024-25.
a) Loss from house property Rs. 2,60,000.
b) Short term capital gain on sale of shares Rs. 2,40,000.
c) Long term capital loss on sale of bonds Rs. -85,000.
d) Other securities: Interest on government securities Rs. 10,000.
The assessee has unabsorbed depreciation of Rs. 25,000 being brought forward from 2022-23. Assessee has closed the business and all the assets have been disposed of.
12. Explain the different types of Assessment.

SECTION D – K5 (CO4)**Answer any ONE of the following in 250 words****(1 x 20 = 20)**

13. From the following particulars of Mr. Edwards for the previous year ended 31st March, 2024. Compute his total income for the assessment year 2024-25. He received:
A) Director's fee from a company Rs. 10,000.
B) Interest on bank deposits Rs. 3,000.
C) Income from undisclosed sources. Rs. 12,000.
D) Winnings from lotteries (net) Rs. 82,000.
E) Royalty on a book written by him Rs. 8,000.
F) By giving lectures in functions Rs. 5,000.
G) Interest on tax free debentures of a company (listed in recognized stock exchange) Net Rs. 3,560
H) Dividend on shares (net) TDS at 10% Rs. 5,400.
I) Interest on post office savings bank account Rs. 500.
J) Interest on government securities Rs. 2,200.
K) A sum of Rs. 26,000 is received as gift on 1/8/2023 from a friend.
L) A sum of Rs. 50,000 is received as gift on 1/10/2023 from his sister.
He paid Rs. 20 for collection of dividend and Rs. 1,000 for typing the manuscript of book written by him.
Mr. Edward has the following other transaction:
1. House property 'A' purchased for Rs. 6 lakh (stamp duty value: Rs. 6.5 lakh).
2. Plot of land purchased for Rs. 7 lakh (stamp duty value: Rs. 9 lakh).

14. The following are the particulars of income of Mr. P for the previous year ended 31st March, 2024.

Particulars	Rs.
Loss from house property	6,000
Interest received on Sunday advances	3,000
Cloth business income	70,000
Share of loss in a firm	18,000
Loss in speculation	3,200
Dividends	3,200
Short term capital gains	1,500
Long term capital loss	21,000

Compute the gross total income of Mr. P setting off the different losses against other incomes and state losses, which could be carried forward.

SECTION E – K6 (CO5)

Answer any ONE of the following in 250 words

(1 x 20 = 20)

15. Mr. Jayasankar, a college teacher, affiliated to the University of Madras, gives the following details of his income.

Particulars	Rs.
Salary	15,000 p.m
Warden allowance	1,200 p.m
Examinership remuneration	6,000
Income from books	18,000
Card games income	6,600
Income from lottery	25,000
Purchase of lottery ticket	10,000
Interest received	7,000

Calculate total income. He has savings in the form of PPF 80,000.

16. Explain briefly about the jurisdiction and powers of IT authorities in India.
