

(FOR THE CANDIDATES ADMITTED

SUBJECT CODE

22 UEC 514

DURING THE ACADEMIC YEARS 2022-25 ONLY)

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : NOVEMBER – 2024

B.Com. E-COMMERCE

MAXIMUM MARKS: 50

SEMESTER: V

TIME : 3 HOURS

PART – III

INCOME TAX LAW AND PRACTICE

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. Which is the government is levies by the income tax?
(a) State (b) Central
(c) Local authority (d) State and central
2. Which of the following is an exempted salary?
(a) Payment by employer in kind (b) Salary from former employer
(c) Salary received by UNO employees (d) Leave salary
3. Which of the following incomes from house property is not exempted from Tax?
(a) Annual Value of Any one palace of ex-Indian Ruler
(b) Income of local authority
(c) Income of Charitable Trust
(d) Income from house property of Salaried employee
4. What is the time limit for holding of a Financial Asset, to be called 'Short Term Capital Asset'?
(a) Not more than 6 months (b) Less than 12 months (24 months)
(c) Not more than 39 months (d) Not more than 36 months.
5. Which is called setting off long term capital loss against Long Term capital gains?
(a) Intra-head set-off (b) Inter-head set-off
(c) Overall set-off (d) None of these

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. What is residential status?
7. What is meant by standard deviation?
8. Define gross annual value.
9. What is short term capital gain?
10. Write a short note on set-off of business loss.

(CONTD 2)

SECTION – B**(5 X 3 = 15 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.****(K3)**

11. a) Enumerate the Tax System in India.

(OR)

- b) Mr. James a Foreign national came to India for the first time on June 15, 2018. During the Financial years, 2018-19, 2019-2020, 2020-2021, 2021-2022 and 2022-2023 and 2023-2024, he stayed in India for 50 days, 183 days 115 days, 25 days, 190 days and 58 days respectively. Ascertain his Residential Status for the assessment \ year 2024-2025.

12. a) What are the items included under the head salary u/s 17?

(OR)

- b) Explain the fully exempted allowance as per I.T.Act.

13. a) Write a note on self occupied property.

(OR)

- b) What do you mean by 'self-generated assets'?

14. a) What are capital assets? What are its kinds?

(OR)

- b) Ganesan furnishes the following particulars of his income for the previous year 2023-24. Compute his Income From Other Sources for the assessment year 2024-25.

	Rs.
(a) Dividend (Gross) from Ashok Leyland Ltd.	25,000
(b) Dividend from a co-operative society	5000
(c) Interim dividend from Rane (Madras) Ltd.	6000
(d) Dividend from a foreign company.	26,000
(e) Dividend from Mutual fund	3000

15. a) What do you understand by 'set-off of losses'?

(OR)

- b) Calculate the deduction allowable under Section 80GG to an assessee having the following incomes for the assessment year 2024-25:

	Rs.
Business income.	55,000
Interest from Bank (Savings Bank Deposites).	5,000
Total Income.	60,000

Rent paid by him for a house occupied by him for the purpose of his residence is Rs. 1,250 per month

SECTION – C**(5 X 5 = 25 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.****(K4 (Or) K5)**

16. a) Mr. Rajesh, an Indian citizen employed in U.K. came to India for a visit in 2021 on 4th August and left again on 4th January 2022. He was in India again from 31st Dec. 2023 till 4th April 2024. You are required to determine his residential status for the previous year 2023-24.

(OR)

- b) List the eight incomes which are exempted u/s 10 of the income tax act 1961.

(CONTD 3)

17. a) X, a resident of Ajmer, receives Rs. 48,000 as basic salary during the previous year 2023-24. In addition, he gets Rs. 4,800 as dearness allowance forming part of basic salary, 7% commission on sales made by him (sale made by X during the relevant previous year is Rs. 86,000) and Rs. 6,000 as house rent allowance. He, however, pays Rs. 5,800 as house rent. Determine the quantum of house rent allowance exempt from tax.

(OR)

- b) Shri Narasimhan retired from service after rendering a period of service of 32 years and 9 months. At the time of retirement, he received Rs. 2,50,000 as leave salary from his employer. The following information is provided by the employee:

Salary at the time of retirement : Rs. 10,000

Leave availed while in service : 20months

Average salary per month from January to November 2023 : Rs. 9,800

Leave entitlement is 1½ months for every completed year of service.

Date of retirement, 31st December 2023.

Compute the amount of taxable leave encashment and Gross salary if Narashimhan is a

1. Govt. employee

2. Non Govt. employee.

18. a) Shri. Jayaraj owns a property at Chennai (Municipal value Rs. 1,60,000; fair rent Rs. 1,80,000; Standard Rent Rs. 1,50,000). The house is let out upto September 30, 2023 (monthly rent being Rs. 15,000). From October 1, 2023 the property is self occupied for own residential purposes. Find out the gross annual value for the assessment year 2024-25.

(OR)

- b) Mr. Rajan submits the following particulars of his business from which you calculate the income from business.

Net profit as per P/L a/c (after charging the following) Rs. 1,25,000

(a) Sales tax Rs. 20,000 and Income Tax Rs. 55,000

(b) Bad debts provision Rs. 3,000.

(c) Commission to procure business order Rs. 8,000

(d) Int. on Capital Rs. 38,000

(e) Depreciation Rs. 4,000 (but as per income tax rules Rs. 2,000 only).

19. a) Mr. X purchases a house property for Rs. 26,000 on 10th May 1962. He gets the first floor of the house constructed in 1967-68 by spending Rs. 40,000. He dies on 12th September 2003. The property is transferred to Mrs. X by his will. Mrs. X spends Rs.80,000 and Rs. 26,700 during 2006-07 and 2008-09 respectively for reconstruction of the property. Mrs. X sells the house property for Rs. 95,00,000 on 15th March 2024 (brokerage paid by Mrs. X is Rs. 41,500). The fair market value of house on 1st April, 2001 is Rs. 4,60,000. CII for 2006-2007 Rs. 122 for 2008-09 is 137 for 2023-24 Rs. 348 for 2001-02 Rs. 100 for 2003-04 is Rs. 109.

(CONTD 5)

(OR)

- b) Compute 'Income from other sources' from the following information for the financial year 2023-24.

	Rs.
I. Amounts won from :	
Lottery	80,000
Betting on Horse Racing	8,000
II. Amounts received from :	
Lottery	63,000
Betting on Horse Racing	42,000
III. Income from:	
Lottery	1,800
Betting on Horse Racing	1,000

20. a) From the following particulars compute the total income of Mr. David for the assessment year 2024-25.

	Rs.
Loss from house property.	2,60,000
Short term Capital gain on sale of shares.	2,40,000
Long term Capital loss on sale of bonds.	-85,000
Other Sources: Interest on Government Securities.	10,000

The assessee has unabsorbed depreciation of Rs. 25,000 being brought forward from 2022-23. Assessee had closed the business and all the assets have been disposed of.

(OR)

- b) Mr. Mallan who is totally handicapped provides you the following information. Compute the taxable income for the assessment year 2024-25.

	Rs.
Salary (per annum).	1,40,000
Interest on Bank Saving Account.	15,000
Interest on Govt. Securities.	4,000
Long term Capital Gain.	40,000
Short term Capital gain.	10,000
Winnings from Lotteries (Gross)	20,000
Deposit in PPF.	40,000
NSC (VIII) purchased during the year	20,000