**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

Registration Number:

Date& Session 5-12-2022(9 am)

**BBA/BBASF – V SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2022**

**(Examination conducted in December 2022)**

**BBA5219/BBASF5219 : Income Tax**

**Time: 2 ½ Hours Max Marks: 70**

**This paper contains \_\_\_3\_\_\_ printed pages and \_\_4\_\_\_ parts**

**PART-A**

1. Answer ***any five*** of the following (**5x2 = 10 Marks)**
2. What is Direct Tax?
3. Define salary.
4. What do you mean by short term capital asset?
5. What is a 'profession'?
6. Who is an assessee in default?
7. Define perquisites.

**Section B**

1. Answer ***any three*** of the following (**3x5 = 15 Marks)**
2. Determine the residential status of Mr. Raju for the A.Y 2022-23 who was in India as follows:

|  |  |
| --- | --- |
| 2021-22 | 192 days |
| 2020-21 | 75 days |
| 2019-20 | 59 days |
| 2018-19 | 300 days |

1. Mr. X is an employee at Mysore (Population 20 lakhs). Following are the information related to his salary.

Basic salary Rs. 12,000 per month, Dearness allowance Rs. 8,000 per month (50% enters for retirement benefits), City Compensatory allowance Rs.50 per month and Bonus Rs. 10,000 p.a. He is provided with rent free accommodation and the cost of furniture is Rs. 80,000. Calculate taxable amount of rent free accommodation.

1. What do you mean by allowances? Write any four tax-free and taxable allowances.
2. What do you mean by income from other sources? Briefly explain.

**Section C**

1. Answer ***any two*** of the following (**2x15 = 30 Marks)**
2. What is capital gain? Explain long term capital gains and how is it different from short term capital gains?
3. Mr. Tej Singh an Indian citizen furnishes following information related to his income.

|  |  |
| --- | --- |
| Particulars | Rs. |
| Profit from a business in Mumbai, managed from London | 4,20,000 |
| Pension for service rendered in Canada and received there | 60,000 |
| Income from house property in Pakistan received in India | 58,000 |
| Profit from a business in Bangladesh and deposited in a bank there | 1,12,000 |
| Income from profession received in Kenya which was set up in India | 70,000 |
| Profit on sale of machinery in India but received in France | 26000 |
| Profit from business in Iran, 40% received in India | 2,00,000 |
| A German company credited commission to his bank account outside India for sale of goods by him in India | 1,75,000 |
| Past untaxed income remitted to India | 80,000 |
| Interest received on investment in India | 60,000 |

Determine his taxable income for the previous year 2021-22 if he is (i)resident and ordinarily resident, (ii) resident but not ordinarily resident and (iii) Non-resident

1. Mr. Verma who is an employee of a company at Bangalore. Following particulars of his income related to previous year 2021-22.

Basic Salary Rs. 15,000 per month

Dearness allowances Rs. 3,750 per month (Not forming part of retirement benefits)

Entertainment allowances Rs. 700 per month

Rent free accommodation provided with cost of furniture Rs. 70,000.

Mr. Verma receives income from house property Rs. 6,300. He also receives interest from his investment Rs. 22,250.

He has contributed to RPF 10% of his basic salary. He also invested Rs.500 per month towards National Saving Certificate. Compute his total income for the assessment year 2021-22

**Section D**

**Answer the following (1x15=15 Marks)**

1. Mr. Ramesh is an engineer in a private sector company in Chennai. He furnishes following detail of his salary income for the previous year 2021-22.
2. Basic pay Rs.15000 Per month
3. Dearness allowance Rs. 4,000 per month
4. Bonus equals to two months’ basic salary
5. City Compensatory allowances Rs.1000 per month.
6. Medical allowances Rs.1500 per month
7. Education allowance for one child Rs.500 per month
8. House rent allowances at Rs. 4,500 per month. He is living in a rented house in Chennai for which he pays monthly rent of Rs. 6,000.
9. He was provided with a motor car of 1600 CC along with driver and company meets all the running and maintenance expenses. The car is used for both official and personal purpose.
10. He contributes to a recognized provident fund at 10% of his salary and the employer contributes the same amount.
11. Interest credited to the accumulated balance of the fund at 11% was Rs. 4,400 during the year.
12. The assessee paid professional tax of Rs.200 per month.

Compute his income from salary for the assessment year 2022-23.