

Registration Number:

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**ST JOSEPH’S UNIVERSITY, BENGALURU -27**

**B.Com – II SEMESTER**

**SEMESTER EXAMINATION: APRIL 2024**

**(Examination conducted in May / June 2024)**

**BCIFA 2121: TAXATION**

**(For current batch students only)**

**Time: 2 Hours Max Marks: 60**

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

**Section A**

**I.** Answer ***any five*** of the following (**3 x 5 = 15 marks)**

1. State 3 cannons of taxation.
2. Give any three deductions u/s 80C
3. State the difference between actual receipt vs. deemed receipt.
4. State the 4 categories of Provident Fund.
5. STCG cannot be indexed. Give reason.
6. Enlist three incomes taxable under the head “Other Sources”.

**Section B**

**II.** Answer ***any two*** of the following (**5 x 2 = 10 marks)**

1. From the following information compute tax liability under old regime for the AY 2023-24:

|  |  |  |
| --- | --- | --- |
| Name of the assessee | Date of Birth | Total Income |
| Mr. A | 22/8/1963 | 12,00,000 |
| Ms. B | 10/8/1985 | 15,00,000 |

1. Mr. Ram, Indian citizen leaves India for the first time on 31st May 2018 and comes back on 15th May 2021. He again leaves India on 10th June 2022 to come back on 14th January 2023. He is living in India since then. Determine the residential status for the previous year 2022-23.
2. Briefly explain Capital gains.

**Section C**

**III.** Answer ***any two*** of the following (**10 x 2 = 20 marks)**

1. Mr. Anand furnishes the following particulars of his income earned during the previous year relevant to the AY 2023-24.

|  |  |
| --- | --- |
| Interest on German Development Bonds (one third received in India) | 51,000 |
| Income from agriculture in Bangladesh, remitted to India | 31,000 |
| Income from property in Canada received in USA | 1,10,000 |
| Income earned from business in Kuwait, business being controlled from Mumbai (Rs. 25,000 received in India) | 65,000 |
| Dividend from an Indian Company | 15,000 |
| Royalty received in Singapore from Mr. Gulfam, resident in India, for technical services provided for a business carried on in Singapore | 25,000 |
| Profit from a business in Chennai; this business is controlled from Singapore | 1,25,000 |
| Profit on sale of a building in India received in Nepal | 2,50,000 |
| Income from agriculture in Punjab received in Mumbai | 30,000 |
| Profit from business in Indonesia; this business is controlled from Delhi (60% of profit deposited in a bank there and 40% is remitted to India) | 40,000 |
| Interest received from Mr. Shyam, non-resident, on the loan provided to him for a business in India | 28,000 |

Compute the GTI, if the assessee is

1. Resident
2. Not Ordinarily Resident
3. Non Resident.
4. Explain in detail the Cost of Acquisition, Cost of Improvement of capital gains and Exemptions u/s 10 and u/s 54, 54B, 54EC.
5. The following are particulars of income of Mr. Behl for the AY 2023-24:

|  |  |
| --- | --- |
| Income from House property (Computed) | 61,200 |
| Business Income | 1,80,000 |
| Dividends (Gross) from a Co-op Society | 15,500 |
| Long-term capital gain (A) from land - Rs. 60,000 (B) from Jewelry – Rs. 35,000 | |
| He paid Rs. 28,000 as a life insurance premium on his own life on a policy of Rs. 2,00,000. (Policy issued on May 1,2013). He also paid Rs. 6,000 on a life policy of Rs. 50,000 which he acquired in 2010. |  |
| He gave Rs. 30,000 as a donation to a charitable institution approved under section 80G. |  |
| During the year he deposited Rs. 18,000 in an equity-linked saving scheme (Dhan 80) notified u/s80C. |  |
| He deposited Rs. 12,500 in the National Saving Scheme 1992. |  |
| Interest accrued on the N.S.C VIII issue purchased in November 2021 for Rs. 30,000 is Rs. 2,260. |  |
| He borrowed Rs. 60,000 and contributed towards the pension plan of LIC. |  |
| Interest accrued on a fixed deposit in a bank Rs. 6,000. |  |

Compute the Total Income assuming that he is a senior citizen.

**Section D**

**IV. Answer the following (15marks)**

1. Anchal, an Indian Citizen is an IAS officer of Govt. of India. On 1/8/2022, she was transferred to the UK as Indian ambassador. However, on 1/12/2022, she again joined the office in India.

The following are the particulars of her salary for the year ended 31/3/2023:

|  |  |
| --- | --- |
| Salary (Due on the last day of the month) | 60,000 pm |
| DA (enters) | 50% of salary (Full year) |
| City Compensatory Allowance (full year) | 2,000 pm |
| Overseas allowance (For posting in U.K) | 20,000 pm |
| Entertainment allowance (Full year) | 4,000 pm |
| Children's Education Allowance for 2 children studying in India | 1,000 pm |
| Rent-free accommodation was provided to her in Delhi (For 12 months) and in U.K. for her stay. The rent of the accommodation in Delhi as per govt. rules Rs. 2000 pm and for the U.K. House Rs. 5,000 p.m.   The cost of furniture provided in India is Rs. 2,00,000 |  |
| She has been provided with a Sony Home Theatre costing Rs. 40,000 for personal use in India. |  |
| She has also been provided a car (1.6 cc) in India exclusively for personal purposes. The cost of the car is Rs. 9,00,000. The cost of repairs and petrol is borne by Govt. Rs. 16,000. |  |
| She has been provided with a free car (1.8 cc) with a driver both in Delhi and in the U.K. for official work as well as for commuting from residence to office and back. |  |

Calculate Income from Salaries for the assessment year 2023-24.