

Name:  
Enrolment No:



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, December 2019**

**Course: Income Tax Law and Practices**  
**Program: B. Com (Hons)**  
**Course code: FINC2018**  
**Instructions: Attempt all questions**

**Semester: III**  
**Time: 03 Hours**  
**Max. Marks: 100**

**SECTION A ( 20 Marks)**

1	How is the residential status of an Assessee determined for income tax purposes? Discuss the influence of residence on tax liability	2	CO1
2	Writes notes:-  a) gross total income (b) total income	2	CO1
3	Answer the following question . (a) The term annual value.	2	CO1
4	Answer the following question . (a) State the standard deduction u/s 24 (a).	2	CO1
5	State any four expressly allowed deduction for calculating income from business	2	CO1
6	What do you understand by – 1. Compulsory audit of accounts	2	CO1
7	When will the capital gain from residential house be exempted?	2	CO1
8	Distinguish between long term capital gains and short term capital gains.	2	CO1
9	Explain the following- a)Income from lottery and race	2	CO1
10	How and how much shall be taxable, the amount received as gift?	2	CO1

**SECTION B ( 20 Marks)**

1	It is said that clubbing is not applicable in the case of negative income” Explain.	5	CO2								
2	“The loss under one head of income can be set off against the income under other heads during the same assessment year”. Explain the statement and state the exceptions	5	CO2								
3	What will be annual value in the following condition-	5	CO3								
	<table border="1"> <tr> <th>PARTICULARS</th> <th>A</th> <th>B</th> <th>C</th> </tr> <tr> <td>Municipal value</td> <td>20000</td> <td>30000</td> <td>40000</td> </tr> </table>			PARTICULARS	A	B	C	Municipal value	20000	30000	40000
	PARTICULARS			A	B	C					
Municipal value	20000	30000	40000								

	Actual Rent	40000	38000	30000		
	Fair Rent	28000	28000	32000		
	Standard Rent	26000	26000	30000		

4	Enumerate the due dates for filing of return under the income tax act 1961. Is it possible to file a belated return and what are the provisions related to it.	5	CO2
---	--	---	-----

**SECTION-C ( 30 Marks)**

1	Discuss the following deductions- (a) Deduction in respect of Life Insurance Premium, Contribution to Provident Fund, NSC etc. (Sec80C) (b) Deduction for medical treatment of dependent being a person with disability ( Sec. 80DD) (c) Deduction for donation (Sec. 80G)	10	CO3
---	--	----	-----

2	Are the following payments allowed in computation of income from business or profession? i. Gift to employee on Deepawali 3,000 ii. Labour welfare expenses 6,300. iii. Contribution to labour welfare fund 8,000 iv Donation to a recognized college 5,000 v. Contribution to approved National laboratory for scientific research 7,000. Give reason in support of your answer:-	10	CO3
---	--	----	-----

3	Shree Ramesh has the following income for the financial year 2018-19. a) Income from property situated in London 40000 b) Income from salary received in India for services rendered in London 28000 c) Profit from business in London controlled from India 120000 d) Profit from Kanpur business 110000 e) Agricultural income in India 10000 Compute the income of Shree Ramesh for the assessment year 2019-20. If he is not ordinary resident in India.	10	CO3
---	--	----	-----

**SECTION-D ( 30 Marks)**

1	Following are the particular submitted by Mr. Siddharthanath for the year ending 31st March 2019, Compute his total Income- Particular Amount i) Income from house property Income from House A 60000 Loss from House B 20000 ii) Income from Business or Profession Income from cloth business 30000 Loss from Hardware business 60000 c) Loss from speculation Business 10000 iii) Income from other sources	15	CO4
---	---	----	-----

	Income from Lottery 25000 Loss from maintenance of horse race 7000 Interest on securities 10000 iv) Gross salary 166000																							
2	<p>Mr. Shree Kant Govarikar is owner to two house of Nasik.          The First house, Municipal valuation of which is 2,25,000 per annum, is occupied for self residence and the second house, Municipal valuation of which is 1,40,000 was let out for residential purpose at the rent of 14,250 per month. The following expenses were made for the houses.-</p> <table border="1" data-bbox="178 598 1209 1045"> <thead> <tr> <th>PARTICULARS</th> <th>FIRST HOUSE</th> <th>SECOND HOUSE</th> </tr> </thead> <tbody> <tr> <td>DATE OF COMPLETION</td> <td>1.8.1996</td> <td>1.1.1998</td> </tr> <tr> <td>MUNICIPAL TAX</td> <td>7500</td> <td>5400</td> </tr> <tr> <td>GROUND RENT</td> <td>150</td> <td>450</td> </tr> <tr> <td>INTEREST ON LOAN FOR CONSTRUCTION</td> <td>87750</td> <td>37000</td> </tr> <tr> <td>FIRE INSURANCE PREMIUM</td> <td>1450</td> <td>1410</td> </tr> <tr> <td>COLLECTION CHARGES</td> <td>825</td> <td>825</td> </tr> </tbody> </table> <p>Assuming that the second house has remained vacant for 4 month and his other income was 2,90,700 Find out his income house property for the assessment year 2018-19.</p>	PARTICULARS	FIRST HOUSE	SECOND HOUSE	DATE OF COMPLETION	1.8.1996	1.1.1998	MUNICIPAL TAX	7500	5400	GROUND RENT	150	450	INTEREST ON LOAN FOR CONSTRUCTION	87750	37000	FIRE INSURANCE PREMIUM	1450	1410	COLLECTION CHARGES	825	825	15	CO4
PARTICULARS	FIRST HOUSE	SECOND HOUSE																						
DATE OF COMPLETION	1.8.1996	1.1.1998																						
MUNICIPAL TAX	7500	5400																						
GROUND RENT	150	450																						
INTEREST ON LOAN FOR CONSTRUCTION	87750	37000																						
FIRE INSURANCE PREMIUM	1450	1410																						
COLLECTION CHARGES	825	825																						