

H

Roll No. ....

**MB-203(F3)**

**M. B. A. (SECOND SEMESTER)**

**MID SEMESTER**

**EXAMINATION, April, 2023**

**CORPORATE TAX PLANNING**

**Time : 1½ Hours**

**Maximum Marks : 50**

- Note :** (i) This question paper contains two Sections—Section A and Section B.  
(ii) Both Sections are compulsory.  
(iii) Answer any *two* sub-questions among (a), (b) and (c) in each main question of Section A. Each sub-question carries 10 marks.  
(iv) Section B consisting of Case Study is compulsory. Section B is of 20 marks.

**Section—A**

1. (a) Income is assessed on the income of the previous year in the assessment year. State the exceptions to this rule. (CO1, CO2)

**P. T. O.**

(2)

MB-203(F3)

- (b) Explain in brief any three of the following terms : (CO1, CO2)  
Income, marginal relief, person, previous year, assessee.
- (c) What are the four sources that are required to be studied to understand the Income Tax Laws ? (CO1, CO2)
2. (a) When is an individual said to be resident but not ordinarily resident in India ? How is his taxable income calculated ? (CO3)
- (b) During the financial year 2022-23 Anil Kumar had the following income : (CO3)

Particulars	₹.
(i) Salary Income received in India for services rendered in Hong Kong.	3,90,000
(ii) Income from Profession in India, but received in Germany.	3,60,000
(iii) Property Income in Uganda (₹ 2,40,000 was remitted to India)	5,00,000

(3)

MB-203(F3)

- (iv) Profits earned from business in Bangalore 1,50,000
- (v) Agricultural Income in Kenya 1,60,000
- (vi) Profits from a business carried on at Nepal but controlled from India. 2,20,000

Compute the income of Anil Kumar for the assessment year 2023-2024 if the is :

Resident and ordinarily resident.

3. (a) What is the treatment in Income Tax of income which is partially agricultural and partially from business ? Explain with examples. (CO4)
- (b) What is the annual value of a house property ? How is it determined ? What are the deductions allowed from annual value while calculating the taxable income from House Property ? (CO4)

P. T. O.

(4)

MB-203(F3)

- (c) R owns a house property which is purchased by him on 1.5.1979 for ₹ 3,00,000. The property was destroyed by fire on 3.04.2002 and R received a sum of ₹ 53,00,000 from insurance company during the year. The market value of the above property as on 1.04. was ₹ 16,00,000. Compute the capital gain for the assessment year 2023 -2024. (CO4)

(i) Resident but not ordinarily resident.

(ii) Non-Resident in India.

Calculate the tax liability of Mr. X having a Total Income of ₹ 1,60,00,000 in the assessment year 2023-24 by using old regime of taxation.

#### Section—B

#### 4. Case Study : (20 Marks) (CO5)

Ram is a pilot in Air India. He is in receipt of the following during the previous year 2022-2023 :

- |                           |                          |
|---------------------------|--------------------------|
| 1 Basic Salary            | ₹ 50,000 p.m.            |
| 2 Bonus                   | 2 months of basic salary |
| 3 Entertainment Allowance | ₹ 11,500 p. m.           |

(5)

MB-203(F3)

- 4 Uniform allowance (He ₹ 1,200 p.m. has spent ₹ 8,000 for purchase and maintenance of Uniform for official purpose)

- 5 He has been given ₹ 6,000 per month as allowance to meet personal expenses during the performance of his duties.

Compute his income under the head salary for the assessment year 2023-2024, if R :

- (a) Does not opt to be taxed under Section 115BAC
- (b) Opts to be taxed under Section 115BAC

MB-203(F3)

580