

(Affiliated to Bengaluru City University & Recognized by Govt of Karnataka)
Class: V Sem-B. Com SUBJECT: INCOME TAX LAW AND PRACTICE 1
Duration: 2 ½ Hours Model 3 Max. Marks: 60

Answer any five questions. Each question carries two marks (5 x 2 = 10)

- Answer any four questions. Each questions carries five marks (4 x 5 = 20)

2. State whether the following are agricultural income
 - a. Income from land used for agricultural purpose by owner
 - b. Profit on sale of agricultural land in London
 - c. Income from farm house situated in agricultural land
 - d. Salary received as a partner from a tea manufacturing firm
 - e. Income from self grown grass and trees
3. Mr.Satish an employee of PQR Ltd. Mysore, has left India for the first time on 16th July 2022 for higher training in UK What is his residential status for the AY 23-24
4. Determine the net annual value for the AY 23-24 of Mr Ganesh

Fair rental value	Rs.180000 p.a.
Standard rent	Rs 162000 p.a.
Actual rent p.m.	Rs. 16500
Unrealized rent	Rs. 24750
Loss due to vacancy	Rs. 16500
Municipal tax paid by owner	Rs.21600
5. Mr Arun is getting a pension of Rs.8000 p.m. from a company. During the previous year he got his 2/3 pension commuted and received Rs.508000. Calculate his total taxable pension, if he also receives gratuity

6. Explain the cannons of taxation

SECTION C

Answer any two questions. Each questions carries twelve marks

(2 x 12 = 24)

7. Mr. Avinash furnished the following particulars of his income for the PY 22-23
- Income from business from Mumbai – Rs.100000
 - Profit from business in USA but controlled from India Rs.30000
 - Income from property in Japan received there Rs.50000
 - Income from business in India received in London Rs.30000
 - Salary received in India for services rendered in USA Rs.70000
 - Profit from business in Malaysia but controlled from India (1/3 received in India) Rs.30000
 - Past untaxed profit Rs.52500 brought to India
 - Dividend received from a domestic company Rs.28000
 - Agriculture income earned in Nepal Rs.25000
 - Interest on Post office Savings Bank a/c Rs.3000
 - Interest received on private company securities Rs.25000
 - Gift in cash from father Rs.30000
- Calculate his gross total income
8. Mr. Praveen is working in a private company in Bangalore. Compute income from salary
- Basic salary Rs.8000 p.m.
 - DA Rs.6000 p.m. (Rs.1000 p.m. enters into retirement benefit)
 - 2 Children education allowance Rs.350 p.m. per child
 - HRA Rs.1600 p.m. but he paying rent of Rs.3000 p.m.
 - He is contributing to RPF at 14% of salary and the company contributing an equal amount
 - Interest earned on RPF Rs.15000 at 15% p.a.
 - Company paid Rs.6000 towards income tax and Rs.3000 towards professional tax
 - Bonus equal to 2 months basic salary
 - Children hostel allowance for 2 children Rs.400 p.m. per child
9. Mr. shekar owns three houses in Bangalore . From the following particulars compute income from house property
- | Particulars | House 1 | House 2 | House 3 |
|---------------------------|-------------|---------|-------------|
| Municipal value | 180000 | 150000 | 120000 |
| Fair rent | 150000 | 200000 | 100000 |
| Rent received p.m. | 20000 | 15000 | 25000 |
| Repairs | 1000 | 8000 | 6000 |
| Use by tenant | Residential | Office | Residential |
| Interest on loan taken | | | |
| a. for house construction | 100000 | -- | -- |
| b. for daughter marriage | -- | 60000 | -- |

