

Roll No.

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**B.B.A. (Sixth Semester)
EXAMINATION, MAY-JUNE, 2022
BUSINESS TAXATION**

(129)

Time : Three Hours]

[Maximum Marks : 90

[Minimum Pass Marks : 32

Note - Attempt all five questions. One question from each unit is compulsory. All questions carry equal marks.

Unit - I

1. Explain the following terms:

- (i) Previous Year
- (ii) Assessee
- (iii) Income
- (iv) Casual Income

OR

[2]

"Income Tax is a tax on income and not receipts." Discuss this statement and give the essential characteristics of the term 'Income'.

Unit - II

2. What are the different categories into which assesseees are divided with regards to residence? Give a brief account of each of them.

OR

Mr XY a foreign citizen leaves India for the first time in the last 20 years on 20th November 2018. During the calendar year 2019, he came to India on 1st September and stayed for a period of 30 days. During the calendar year 2020, he did not visit India at all. He came to India on 16th January 2021 and did not leave thereafter. Determine the Residential status of Mr XY for the Assessment year 2021-22 if (a) he is an Indian origin. (b) he is not an Indian origin.

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[3]

Unit - III

3. What are the incomes that are chargeable to Income tax under the head salaries? What are the items that are included in the term 'Perquisites' and are taxable?

OR

Determine the annual value of the house in the following cases:

Expected rent Rs 1,00,000

House let out @ Rs 10,000 p.m

House paid by owner Rs 9,000 (10% of municipal value)

House remains vacant for (a) 1 month (b) 3 months.

Unit - IV

4. "Tax Planning is a legal and moral way of tax saving"
Discuss the statement.

OR

How can the following assessee reduce their tax liability?

- (a) Salaried Persons
- (b) Owners of House Properties

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[4]

Unit - V

5. Mr. Sudhir has the following income for previous year ended 31st March, 2021:

- (1) Business profit Rs 5,50,000
- (2) Short-term capital gains Rs 12,000
- (2) Long-term Capital gains relating to land and building Rs 18,000
- (4) Long-term capital gains relating to other capital assets Rs 10,000
- (5) Compensation for loss of agency Rs 1,24,000
- (6) Long-term capital loss on sale of an asset Rs 16,000

Compute the total income of Mr. Sudhir for assessment year 2021-2022.

OR

Describe how the Income Tax Appellate Tribunal is constituted and discuss its functions.

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