

(Please write your Exam Roll No.)

Exam Roll No. 02424488817

## END TERM EXAMINATION

FIFTH SEMESTER [B.COM(HONS.)] DECEMBER 2019

Paper Code: B.Com-301

Subject: Income Tax Law & Practice

Time: 3 Hours

Maximum Marks: 75

Note: Attempt any five questions. All questions carry equal marks.

- Q1 Mr. X has income as under:
- He has income from a business in Germany amounting to Rs. 3,00,000 and half of it was received in India.
  - He has interest income of Rs. 1,00,000 from UK Development bond and entire interest income was credited to a bank account in UK and subsequently the amount was transferred in India.
  - He has one business in Mumbai and entire income of Rs. 3,00,000 was received in UK.
  - He has one house property in Ghaziabad and income of Rs. 50,000 was received in UK.
  - He has received salary income of Rs. 5,00,000 (computed) in India and half of the service was rendered in UK and half in India.  
Compute his income assuming that he is NOR, NR and ROR.
- Q2
- Enumerate the rules regarding integration of agricultural and non-agricultural income. Under what conditions such income cannot be integrated?
  - An assessee has incurred Rs. 2,00,000 on cultivation of agricultural produce. Half of the produce has been sold for Rs. 2,20,000 and balance has been used by the assessee for his self consumption. Compute the agricultural income in this case.
- Q3
- P a US national, came to India during the financial years 2013-2014, 2014-2015, 2015-2016, 2016-2017 and 2017-2018 for 100 days, 60 days, 150 days, 70 days and 80 days respectively. What shall be his residential status for the assessment year 2018-2019?
  - 'X' an Indian citizen is appointed as a senior taxation officer by the government of Japan. He leaves India for the first time on November 3, 2016 for joining duties in Japan. During the previous year 2018-2019, he comes to India on December 3, 2018 for 190 days. Determine the residential status of 'X' for the assessment year 2018-2019 and 2019-2020.
- Q4 What are the general principles of computation of business profits? Also state admissibility of legal charges of Rs. 5,000 for cost of a successful appeal against income tax assessment.
- Q5 What is 'annual value'? What deductions are allowed from the annual value in computing the taxable income from house property? How is the annual value of a house property let out on rent determined?
- Q6 What are the payments from which tax is deducted at source? How is tax credit given in respect of such tax?
- Q7 When does the liability to advance tax arise? How is it computed and paid? On which dates are the installments of advance tax payable?
- Q8 Write a short note on **any three**:
- Clubbing of income
  - 'Short term' verses long term capital gain.
  - Perquisite value
  - Incomes chargeable in income-tax under the head salaries.

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