



K. Sambal

Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination – November 2024
III Semester

Class : II UG
Major : B.Com PA

Time: 3 Hours
Max. Marks: 100

23BCPSE1A Accounting and Taxation: Direct Tax Laws

Course Outcomes:

- CO1:** Comprehend the concepts of taxation, including assessment year, previous year, assesses, person, income, total income, agricultural income and determine the residential status of persons
- CO2:** Compute income under different heads, applying the charging provisions, deeming provisions, exemptions and deductions;
- CO3:** Apply the clubbing provisions and provisions relating to set-off and carry forward of losses to determine the gross total income;
- CO4:** Calculate the tax liability of an individual and HUF as well as deductions from gross total income and determine the total income of an individual and HUF
- CO5:** Comprehend the provisions relating to filing of return of income.

Part A

10 x 1 = 10

Choose the Correct Answer

1. Income tax levied by
a. State government
b. Central government
c. Local authority
d. State and central government
CO1 K1
2. Income Tax Act came into force on
a. 1.4.1961
b. 1.4.1962
c. 1.4.1956
d. 1.4.1965
CO1 K1
3. Under the Head Income from House Property, the basis of charge is the of property.
a. annual value
b. quarterly value
c. half-quarterly value
d. none of the above
CO2 K1
4. The income is chargeable under the head of salary under _____ of Income Tax Act, 1961.
a. section 15
b. section 20
c. section 14
d. section 16
CO2 K1
5. Activities which performed in order to earn livelihood is called
a. Business
b. Profession
c. Salary
d. Other sources
CO2 K1
6. Capital gains is classified into _____ types.
a. 2
b. 3
c. 4
d. 5
CO2 K1
7. In computing the total income of an assessee, which of the following incomes shall be included in his total income
a. Unexplained investment
b. Unexplained money
c. Unexplained expenditure
d. All the above
CO4 K1
8. Brought forward non speculative business loss can be set off against income from
a. House property
b. Speculative business
c. Business
d. Income from any other heads
CO4 K1
9. Which form is used to file a return of income for salaried individuals?
a. ITR-1
b. ITR-2
c. ITR-3
d. ITR-4
CO5 K1
10. Due date for filling return of income in case of a company is
a. 31st July
b. 31st August
c. 30th September
d. 31st October
CO5 K1

Part B

5 x 6 = 30

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 11.a. State the history of direct tax. CO1 K1
(or)
- 11.b. Enumerate the objectives of taxation. CO1 K1
- 12.a. Illustrate various types of allowances. CO2 K4
(or)
- 12.b. Mr.x owns a house property. It is used by him throughout the previous year 2023-24 for his residence. Municipal value of the house is Rs.40,000. Fair rent is Rs.50,000. Municipal tax paid by him was Rs.4,000. Mr. X borrowed Rs.10,00,000 on 01.01.2017 at 10% per annum for the construction of the house. The construction was completed on 01.01.2019. Compute income form house property for the assessment year 2024-25. CO2 K4
- 13.a. Explain the incomes chargeable to tax under the head profits and gains of business or profession. CO2 K3
(or)
- 13.b. Mr. David had acquired a house property on 10.10.19 for 12,00,000. The property was destroyed by fire on 01.07.2023 and for which he received a compensation Rs.11,00,000 form the insurance company. Compute the capital gain for the P.Y.2023-24. (C.I.I for 2019-2020:289, 2023-24:448) CO2 K3
- 14.a. Discuss the circumstances income of other persons can be included in the income of assessee under income tax act 1961? CO3 K2
(or)
- 14.b. The following are the particulars of income and loss of an individual under different heads of income . set –off losses in the assessment year 2024-25 and find out gross total income: CO4 K2
- | | Rs |
|--------------------------------------|----------|
| Income from house property A | 5000 |
| Income from house property B | (-)8000 |
| Income from interest on securities | 20000 |
| Income from a cycle business | (-)20000 |
| Profit from speculation business | 20000 |
| Loss from short term capital asset | 6000 |
| Long term capital loss | 25000 |
| Long term capital gains (investment) | 21000 |
- 15.a. Describe E-filing of Income Tax Returns. CO5 K2
(or)
- 15.b. Illustrate the due date of filling the return of income. CO5 K2

Part C

5 x 12 = 60

Answer ALL questions

Each answer should not exceed 800 words or four pages

- 16.a. Explain the provisions regarding residential status of a company. CO1 K1
(or)
- 16.b. Point out the provisions relating to scope of total income. CO1 K1
- 17.a. Analyse the computation on interest on borrowed capital while computing income from house property. CO2 K2
(or)
- 17.b. Mr.X an employee of Tamil Nadu government submits the following information relevant for the previous year 2023-24
Salary Rs.86,000, Entertainment allowance Rs.8,000, Bonus Rs.10,200, Education allowance Rs.4,000 for her grandchildren. Income tax penalty paid by the employer Rs.2,000 Medical expenses reimbursed by the employer Rs.2,000 leave travel concession Rs.1,000, free residence telephone Rs.4,000, free refreshment during office hours Rs.4,000, payment of

electricity bill by employer Rs.1060, Reimbursement of gas bill RS.1000, professional tax paid by the employer Rs.300, professional tax by mr.x Rs.150. Mr.X is provided with a car of more than 1.6 liters for both personal and official use and expenses of maintaining and running the car with driver are borne by the employer. Contribution to PPF Rs.1,20,000. (Principal amount) repayment of loan taken for purchase of house Rs.70,000. Determine the taxable salary and amount deductible u/s 80C. CO2 K2

18.a. Explain the kinds of capital gain. CO2 K3

(or)

18.b. From the following receipts and payments account of Dr.Nakkiran, compute his professional income for the P.Y 2023 - 24 CO2 K3

| Receipts | | Payments | |
|---------------------------|------------------|-------------------------|------------------|
| To balance b/d | 6,000 | By salary to staff | 1,80,000 |
| To consultation fees | 7,50,000 | By rent of clinic | 60,000 |
| To visiting fees | 60,000 | By purchase of medicine | 70,000 |
| To sale of medicine | 94,500 | By surgical equipment | 2,30,000 |
| To interest on deposits | 55,500 | By purchase of car. | 4,00,000 |
| To dividend on investment | 34,000 | By balance c/d. | 60,000 |
| | 10,00,000 | | 10,00,000 |

19.a. Discuss the provisions relating to set off and carry forward of losses. CO3 K2

(or)

19.b. Compute the amount of tax payable for the assessment year 2024-2025 in the following cases: CO4 K2

- i) Total income of Mr .X is Rs 520064
- ii) Income of Mr .Y (Resident senior citizen) is Rs 520064
- iii) Income of Mr .Z (Resident super senior citizen) is Rs 520064
- iv) Income of Mr A is as under :
 - Income from salary Rs 420000
 - Income from short term capital gain Rs 30000
 - Income from long term capital gain Rs 40000
 - Winning from lottery Rs 50000

20.a. Explain the procedures of e-filing of Income Tax Returns. CO5 K6

(or)

20.b. Analyse the various types of assessee using voluntary return on income. CO5 K6