

SAMATA COLLEGE

TIME: 3 Hours

TAXATION Max Marks: 75

SECTION-A (5*5=25Marks)

Answer any five of the following questions

1. Define the term 'Assessee'
2. Gross Total Income
3. What is meant by 'Perquisites'
4. Unrealised Rent
5. Distinguish between Business and Profession
6. Explain Deductions u/s 80D
7. How to calculate Long Term Capital Gain
8. Taxes subsumed into GST

SECTION-B

(5*10=50 Marks)

Answer the following questions

9. a) Discuss Residential status of Individual and Firm.
(or)

b) Explain 10 Incomes Exempted from Tax.

10. a) Smt. Ratna is working as sales promotion officer, her salary details are as follows:
Basic pay: 21,000p.m.; D.A: 7,000p.m.; HRA: 3,700p.m.(she is living in her own house);
Entertainment allowances :1000p.m.; C.C.A. 1500p.m.; According to service conditions
she is entitled to commission on sales and she has to bear expenses incurred in
promoting sales . During the previous year she earned a commission of 92,000 and
expenses incurred in this connection 35,000.she claims these expenses as deduction.
Professional tax paid by her 250p.m. compute income from salary as she is working in a
Govt. Department.

(or)

- b) Sri. John Prasad is the owner of a house, let out the house for 10 years on 15th May
2012 on a monthly rent of 7,500 and received 2,00,000 non- refundable deposit interest
earned on deposit is 12%. The municipal valuation is 80,000p.a. Fair Rental Value is
75,000.Sri. John Prasad incurs the following expenses. Municipal taxes 10,000, Repairs
5,000, interest paid on the loan taken to purchase the house. 15000. During the
previous year rent is received for 10 months and balance is due. Compute income from
house property.

11. a) Explain the Deductions in Computing the Business Income Sec.37(i).
(or)

b) Following is the Profit and Loss Account of Smt. Prasanna. Compute Income from Business and calculate tax liability for the current assessment year .

Profit and Loss Account

Particulars	Amt in Rs.	Particulars	Arnt in Rs.
To salary 1,40,000		By Gross Profit	9,04,400
Add: outstanding 8,000	1,48,000	By rent(sublet)	2,000
To telephone expenses	15,000	By profit on sale of old machinery	68,000
To Rent	18,000	By profit on sale of empty bags	2,000
To Legal expenses		By Bad debts recovered	5,000
For protecting the		(allowed earlier)	
Business 30,0000			
For personal suit 9,000	39,000		
To Motor car expenses	44,000		
To Income tax	12,000		
To birthday party expenses	6,000		
To Annual day expenses of the shop	2,000		
To Goods and Services Tax			
To Bad debts	16,000		
To provision for doubtful debts	8,600		
To depreciation	2,800		
To Net Profit	16,000		
	<u>6,54,000</u>		
	9,81,400		9,81,400

12. a) Discuss the provisions of income tax all regarding set off carry forward of losses.
(or)

b.) Mr. Srikanth submitted the following particulars of income for the current assessment year. Compute total income.

Income from salary	1,60,000
Loss from house property (self occupied)	22,000
Income from house property (Let out)	15,000
Short term capital loss	75,000
Long term capital gain	1,12,000
Loss from business (Non speculation)	2,15,000
Loss from business (speculation)	80,000
Loss from specified business	85,000
Income from other sources	7,000
Deductions u/s 80	15,000

13. a) What is GST? Explain its needs.

(or)

b) What is the procedure for registration of GST.
