

Carment College
Nuvem, Salcete Goa

UCOD101

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T.Y.B.Com Semester V (CBCS) Ordinance
EXAMINATION MAY 2023
Accounting Major I : Income Tax & Goods and Service Tax

[Time: 2 Hours]

[Max. Marks:80]

- Instructions:** 1) Question No. 1 is compulsory.
2) Answer **any three** questions from Q No.2 to Q. No.6
3) Show important **working notes** as fair work.
4) Figures to the **right** indicate **marks** allotted.

- Q1** A. Mr. Thomson, a resident individual in India, aged 53 years has a total taxable income of Rs 20,20,000. He has opted for the alternate tax regime under section 115 BAC of the Income Tax Act, 1961. Calculate total tax payable for the Assessment Year 2022-23. **5**
- B. Mr. Peter is a resident in Goa. He gives the following details of donations made to various funds/organisations, by cheque, for the year ended 31st March, 2022: **5**
- | | |
|--|-------------|
| 1) Prime Minister's National Relief fund | - Rs 2,000 |
| 2) Zila Saksharta Samiti | - Rs 2,500 |
| 3) Rajiv Gandhi Foundation | - Rs 2,000 |
| 4) The National Illness Assistance Fund | - Rs 3,000 |
| 5) An Approved Charitable Trust | - Rs 30,000 |
- His Gross Total Income for the year 2021-22 is Rs 4,00,000 and he is eligible for a deduction of Rs 75,000 U/s 80-C and Rs 25,000 U/s 80-D of the Income Tax Act, 1961. Determine the amount of deduction U/s 80-G for the Assessment Year 2022-23.
- C. Mr. Rahul, a resident in India, received the following cash gifts during the year ending 31st March 2022. **5**
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|--|
| 1) Gift of Rs 11,000 from his brother, on the occasion of his birthday. |
| 2) Gift of Rs 1,21,000 from his friends on the occasion of his marriage. |
| 3) Gift of Rs 2,50,000 under a will of his grandfather. |
| 4) Gift of Rs 51,000 from his friends on the occasion of his birthday. |
| 5) Gift of Rs 41,000 from his brother's friends on the occasion of his birthday. |
- Calculate the amount of gifts chargeable to tax for the Assessment Year 2022-23.
- D. Mr. Gupta, a registered dealer in Maharashtra, provides the following information for the month of July 2022. **5**
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|--|
| 1) Inputs (Raw Materials) purchased from local dealer (including GST @ 5%) - Rs 4,20,000 |
| 2) Value additions - Rs 50,000 |
| 3) Profit-Rs 50,000 |
| 4) The entire goods produced are supplied to a dealer in Rajasthan (GST @ 18%) Calculate the amount of net tax payable assuming that he does not have any opening balance of input tax credit. |

- Q2** Mr. Ramesh, a resident individual, 58 years of age is the owner of two houses. Following are the details of the houses for the year ended 31st March 2022.

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Particulars	House 1	House 2
Nature of Occupation	Let-Out	Occupied for residential purpose
Fair Rental Value (per annum) (Rs)	70,000	3,60,000
Municipal Value (per annum) (Rs)	60,000	2,00,000
Standard Rent (per annum) (Rs)	80,000	2,00,000
Actual Rent (1 month) (Rs)	10,000	--
Unrealised rent for Previous Year 2021-22 (all conditions of rule 4 are satisfied) (Rs)	11,000	--
Ground Rent (Rs)	20,000	40,000
Loss due to vacant period (Rs)	5,000	--
Municipal tax	3%	5%
Municipal tax paid by owner	80%	100%
Interest on borrowed capital for construction of property		
Paid in current previous year (Rs)	19,792	2,00,000
Outstanding in the current previous year (Rs)	--	40,000
Repairs and maintenance (Rs)	5,000	12,000

Additional Information:

- 1) Income from Salaries (Computed) Rs 9,80,000 and Income from Business (Computed) is Rs 15,50,000.
- 2) He has paid medical insurance premium, by cheque, on the health of his father (senior citizen) Rs 25,000 and on the health of his family consisting of himself and his spouse amounting to Rs 31,000 (including Rs 4,000 for preventive health check-up of himself).
- 3) He has deposited Rs 1,00,000 under a scheme framed by LIC of India for maintenance of his handicapped sister (disability of 80%), fully dependent on him.
- 4) He has repaid principal amount of housing loan to Bank of Baroda - Rs 75,000
- 5) He has invested Rs 50,000 in Public Provident Fund Account on his own name and paid Rs 15,000 as life insurance premium on his own life (sum

assured Rs 1,00,000 and policy is taken on 1.4.2011) and Rs 20,000 in National Savings Certificates. Compute his total taxable income for Assessment Year 2022-23.

Q3

A. Mr. Aman, a resident in India with a severe disability, aged 52 years, gives you the following details for the year ended 31st March, 2022. **15**

- 1) Royalty received on Patents in India - Rs 2,50,000. He is the co-owner of the patent.
- 2) Interest on enhanced compensation received from the Government- Rs 1,80,000.
- 3) Rent from sub-letting of a house property - Rs 24,000 per month. Rent paid to the landlord - Rs 60,000 p.a.
- 4) Interest on Savings Bank Accounts in Bank of India- Rs 12,000.
- 5) Interest on 8% Debentures in Amtech Ltd, Mumbai- Rs 12,600. He has spent an amount of Rs 800 as collection charges to collect debenture interest.
- 6) Winnings from Lotteries (Net) - Rs 1,37,600. Tax deducted at sources is @31.2%. He has spent Rs 1,200 to purchase lottery tickets.
- 7) Interest on notified government securities - Rs 8,000.
- 8) Amount received under a keyman insurance policy (including bonus of Rs 30,000) - Rs 1,50,000.
- 9) Income from agricultural land situated outside India - Rs 50,000.
- 10) Income from part time business (computed) - Rs 8,25,000.
- 11) Income from Salaries (Computed) - Rs 14,00,000.
- 12) He has paid an interest of Rs 17,000 towards education loan taken for his son who is pursuing higher education in Mumbai University in the current previous year. Compute Total Taxable Income for Assessment Year 2022-23.

B. Mr. Harish, a resident in India, provides the following details of his residential house property: **5**

- 1) Sale of house property in June 2021 for 79,00,000.
- 2) Cost of acquisition on 1st September, 2000 - Rs 5,00,000.
- 3) Fair Market Value of property on 1.4.2001- Rs 6,50,000.
- 4) Expenses on transfer of the property in June 2021 - Rs 7,900.
- 5) Renovation of the property in June 2019 - Rs 1,50,000

- 6) Cost Inflation Indices: 2019-20=289; 2021-22=317; 2020-21=301; 2001-02=100; He has purchased a new house property in Mumbai out of the sale proceeds, on 1 st July 2022 for Rs 55,00,000 and has invested Rs 2,00,000 in notified bonds on 15th September 2021.

Compute amount of taxable capital gains for Assessment Year 2022-23.

Q4 Answer in short, **any four** of the following:

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- Clubbing of income from assets transferred to spouse U/s 64(1)(iv) of the Income Tax Act, 1961.
- Computation of income of a partly let out and partly self-occupied property.
- Deduction U/s 80 QQB of the Income Tax Act, 1961.
- Deduction U/s 80 EE of the Income Tax Act, 1961.
- Any five features of Goods and Service Tax.

Q5 Answer in short, **any four** of the following:

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- Interest on capital borrowed during pre-construction period of house property.
- Amounts that are not deductible while computing income from other sources, U/s 58 of the Income Tax Act, 1961.
- Best Judgement Assessment U/s 144 of the Income Tax Act, 1961.
- Defective Return U/s 139(9) of the Income Tax Act, 1961.
- Definition of 'Composite Supply' and 'Mixed Supply' under the CGST Act, 2017.

Q6 Answer in short, **any four** of the following:

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- Determination of Gross Annual Value U/s 23 of the Income Tax Act, 1961.
- Deduction U/s 80 DDB of the Income Tax Act, 1961.
- Rebate U/s 87A of the Income Tax Act, 1961.
- Procedure for registration under Goods and Service Tax.
- Composition Scheme under Goods and Service Tax.