

**2024/TDC (CBCS)/ODD/SEM/  
COMHCC-302T/391**

**TDC (CBCS) Odd Semester Exam., 2024**

**COMMERCE**

**( 3rd Semester )**

Course No. : COMHCC-302T

**( Income Tax Law and Practice )**

Full Marks : 50

Pass Marks : 20

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

UNIT—I

1. Answer any *two* of the following questions :

2×2=4

- (a) What is meant by Previous Year?
- (b) What is Gross Total Income (GTI)?
- (c) Mention the types of assesseees.

2. Answer any *one* of the following questions : 6

- (a) What are the different residential statuses under Section 6 of the Income-tax Act, 1961? Discuss the rules applicable to determine residential status of an individual assessee. 1+5=6
- (b) Point out and discuss four incomes that are fully exempted from tax with sections dealing with such points of exemptions.

UNIT—II

3. Answer any *two* of the following questions :  $2 \times 2 = 4$

- (a) Mention two examples of perquisite.
- (b) What constitutes gross salary?
- (c) What are the deductions allowable u/s 24 of the Income-tax Act, 1961 from the net annual value?

4. Answer any *one* of the following questions : 6

- (a) Mr. Praful Parekh is employed in a private limited company in Guwahati. During the Previous Year 2023-24, he received the following payments and perks from his employer :

(i) Basic pay—₹ 40,000 p.m.

- (ii) Dearness allowance—₹ 10,000 p.m. (not forming part of salary in the calculation of retirement-benefits)
- (iii) Entertainment allowance—  
₹ 1,500 p.m.
- (iv) Servant allowance—₹ 500 p.m.
- (v) Bonus for the year—₹ 70,000
- (vi) Commission received—₹ 30,000
- (vii) Free furnished accommodation, for which the employer paid a rent of ₹ 7,000 p.m., cost of furniture provided in the house is ₹ 35,000
- (viii) Employer's contribution to recognized provident fund @ 13% p.a. on basic pay
- (ix) Uniform allowance—₹ 400 p.m. (actual expenditure ₹ 200 p.m. on an average)

During the year, the employer deducted ₹ 2,500 as professional tax from his salary.

Compute his Income from Salary for the Assessment Year 2024-25.

- (b) Mr. Vikas is the owner of a house property in Mumbai. The municipal value of the house is ₹ 1,40,000 and the fair rental value is ₹ 1,60,000. It was occupied by Vikas himself from

1.1.2024 upto 31.3.2024. During 1.4.2023 upto 31.12.2023, it was let out at a monthly rent of ₹ 15,000. Municipal tax paid during the year is ₹ 14,000.

Compute the Net Annual Value of the house for the Assessment Year 2024-25.

UNIT—III

5. Answer any *two* of the following questions :  $2 \times 2 = 4$

- (a) Write two expenses that are disallowed while assessing profits and gains of business or profession.
- (b) What is short-term capital asset u/s 2 (42A)?
- (c) What is meant by cost of acquisition in capital gains taxation?

6. Answer any *one* of the following questions : 6

- (a) How are the following items treated while determining taxable business income?  $2 \times 3 = 6$ 
  - (i) Bad debts
  - (ii) Legal expenses
  - (iii) Bad debts recovered

- (b) (i) Mr. Bora had purchased a residential house property on 15.05.2003 for ₹ 4,20,000. He had spent ₹ 90,000 on its improvement during the year 2005-06. On 04.08.2023, he sold the house for ₹ 17,85,000 (stamp duty value ₹ 18,50,000). His expenses on transfer amounted to ₹ 14,000. Compute his capital gains for the Assessment Year 2024-25. (CII for FY 2003-04 : 109, 2005-06 : 117, 2023-24 : 348)
- (ii) Mrs. Basak bought equity shares of A Ltd., 500 shares @ ₹ 300 per share on 21.09.2016. FMV of the shares on 31.12.2018 was ₹ 400 each. She sold these shares on 31/08/2023 @ ₹ 275 each. Find out her capital gains for the Financial Year 2023-24. 3+3=6

UNIT—IV

7. Answer any *two* of the following questions :  $2 \times 2 = 4$
- (a) What is aggregation of income?
- (b) Point out two distinctions between deduction and exemption.
- (c) Explain the terms rebate u/s 87A and relief u/s 89(1).

8. Answer any one of the following questions : 6

(a) Explain the provisions of the Income tax-Act regarding set off and carry forward of the following :  $2 \times 3 = 6$

(i) Losses from the house property

(ii) Capital losses

(iii) Losses of the discontinued business

(b) Mr. D and Mrs. D had the following incomes for the Previous Year 2023-24 :

	Mr. D (₹)	Mrs. D (₹)
Salary from H Ltd.	2,15,000	NIL
Short-term capital gain	90,000	NIL
Income from other sources :		
Bank interest	12,000	6,250
Interest on Govt. securities	3,600	2,750

D having no qualification or experience, is employed in H Ltd. Mrs. D holds 22% equity capital in H Ltd. from September 12, 2021. Find out Gross Total Income of Mr. D and Mrs. D assuming they opted for old tax regime.

#### UNIT—V

9. Answer any two of the following questions :  $2 \times 2 = 4$

(a) Who are required to file income tax return?

(b) What is meant by e-filing of income tax return?

(c) Explain the term 'TDS'.

10. Answer any *one* of the following questions : 6

(a) Discuss any six cases where mandatory filing of return of income is required.

(b) Discuss the modes of verification of ITR when return is submitted online.

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