

**B. COM. DEGREE END SEMESTER EXAMINATION - MARCH 2018****SEMESTER – 6: COMMERCE (OPTIONAL COURSE FOR FINANCE & TAXATION)****COURSE: 15U60PCFT4: INCOME TAX - ASSESSMENT AND PROCEDURE***(For Regular -2015 Admission)*

Time: Three Hours

Max. Marks: 75

**SECTION A***Answer **all** questions. Each question carries **2** marks.*

1. What is PAYEE?
2. What do you mean by refund of income tax?
3. Expand MAT and AMT.
4. Who can appoint Income Tax authorities?
5. Define domestic company.
6. Write note on CBDT.
7. What is GAAR?
8. What is tax clearance certificate?
9. What is bond washing transaction?
10. What is set off of losses?

(2 x 10 = 20)

**SECTION B***Answer **any five** questions. Each question carries **5** marks.*

11. Distinguish between PAN and TAN.
12. Describe the procedure for e-filing of return of income.
13. Explain the provisions of deduction u/s 80 C.
14. What do you meant by clubbing of income? Explain the provisions of clubbing of income of minor child.
15. Compute income from other sources from the following information:
 

(a) Winnings from lottery	1,00,000
(b) Amount received from race winnings	35,000
(c) Gift received from elder brother	1,00,000
(d) Gift received on marriage	1,40,000
(e) Gift received from a friend	18,000
16. Master Vijay (age 16 years) has the following incomes during the previous year.
 

(a) Interest on bank fixed deposit	75,000
(b) Interest on government securities	80,000
(c) Interest on debentures	40,000
(d) Income from acting in a film	2,00,000
(e) Income from singing programme	50,000

His father's total income Rs. 5,09,000  
His mother's total income Rs. 5,09,100

Explain in whose hands the above incomes shall be taxable.

17. Mr. A earned GTI of Rs. 5,00,000 during the previous year and made the following donations during the year by cheque:
  - (a) Rs. 10,000 to CM's Earthquake Relief Fund, Maharashtra.

(b) Rs. 15,000 to National Foundation for Communal Harmony.

(c) Rs. 40,000 to Municipality for Family Planning.

(d) Rs. 25,000 to approved institutions.

Compute the permissible deduction u/s 80 G for the current assessment year. (5 x 5 = 25)

### SECTION C

Answer **any three** questions. Each question carries **ten marks**.

18. Write note on income tax authorities. Enumerate the general and specific powers of income tax authorities.

19. What do you meant by assessment? Explain different types of assessment.

20. The following particulars are in respect of Mr. Kannan for the year ending 31<sup>st</sup> March 2017.

(a) Income from house property (loss)	6,000
(b) Interest received on deposits	3,000
(c) Business income (cloth)	2,90,000
(d) Share of loss from firm	18,000
(e) Speculation loss	3,200
(f) Dividend (gross)	5,000
(g) Short-term capital gains	1,500
(h) Long-term capital gains	6,000
(i) Loss from small scale industry	14,000
(j) Income from agricultural land	4,500

Set-off various losses from income and compute GTI. Find out the amount which can be carried forward.

21. Following are the income of a domestic company for the year ended on 31<sup>st</sup> March 2017:

(a) Business profit	4,20,000
(b) Dividend from an Indian public sector company (Gross)	10,000
(c) Dividend from an Indian company whose 80% income is agricultural income (Gross)	9,000
(d) Income from mutual fund (Gross)	5,000
(e) Royalty received from a foreign concern for providing technical know how	16,000
(f) Fee from an Indian company for technical advice	12,000
(g) Dividend from a foreign company	8,000
(h) Company has donated to National rural Development fund during the previous year	8,800

Compute the total income of the company for the AY 2017-18. Find out gross tax liability if the book profits of the company is Rs.7,00,000 u/s 115 JB.

22. The following particulars are given in respected K. N. Pillai, aged 57 years and is resident of India.

Compute total income and tax liability of K. N. Pillai for the AY 2017-18:

(a) Pension p.m	6,750
(b) Interest on bank time deposit	10,000
(c) Dividend received on units of UTI	8,000
(d) Deposited in PPF during the PY	10,000
(e) Received share of income from HUF	8,000
(f) Received remuneration from Examination	4,500
(g) Income from business	5,00,000

(10 x 3 = 30)