

M. COM DEGREE END SEMESTER EXAMINATION- MARCH 2025**SEMESTER 4 : COMMERCE****COURSE : 21P4COMT17EL : BUSINESS TAXATION - ASSESSMENT AND PROCEDURES***(For Regular - 2023 Admission and Supplementary 2022/2021 Admissions)*

Duration : Three Hours

Max. Weights: 30

PART A**Answer any 8 questions****Weight: 1**

1. What is the due date for filing of return for an individual? ()
2. Define "Input service distributor" as per GST. (U)
3. Who can be a partner of a firm? ()
4. What is a 'company' for tax purposes? ()
5. Explain the term "computed value method" in customs valuation. (R)
6. What is abetment of false return? ()
7. What is tax avoidance ? (U)
8. What is reassessment? ()
9. What is discretionary best judgment? ()
10. What is memorandum of cross objections with regard to appeals? ()

(1 x 8 = 8)**PART B****Answer any 6 questions****Weights: 2**

11. What is the purpose of customs valuation in the context of customs duty? (U)
12. What are "forward charges" under GST? Provide an example to illustrate their application in a transaction. (A)
13. Anu, Binu, and Cinu are equal partners in a trading firm which does not fulfill the conditions of section 184.

(amounts ₹)

Trade Expenses	3,20,000	Gross Profit	2,75,000
Office Expenses	30,000	Interest on Bank Deposit	25,000
Rent of premises to Cinu	10,000	Net Loss:	
Commission to Anu	20,000	Anu	1,00,000
Interest on Capital:		Binu	1,00,000
Anu	30,000	Cinu	1,00,000
Binu	30,000		
Cinu	30,000		
Salary to Binu	60,000		
Commission	10,000		
Advertisement Expenses	20,000		
Depreciation	40,000		
	6,00,000		6,00,000

()

Trade expenses include a payment of ₹ 40,000 made in cash. The firm is eligible for depreciation ₹ 50,000. Compute income from the business of the firm and the amount taxable in the hands of the partners.

14. What is compulsory best judgment assessment? ()
15. When an assessee can submit a 'Revised Return of Income' ()
16. Explain the General Powers of Income Tax Authorities ()

17. What is search and seizure? What are the causes for the same? ()

18. How is tax imposed on dividend distributed? ()

(2 x 6 = 12)

PART C
Answer any 2 questions

Weights: 5

19. What are the rights and duties of a person in case of search? ()

20. The following details are available from the accounts and records of Bright Ltd, a widely held company, for the financial year 2018-19.

- a. General expenses include ₹ 4,560 spent in relation with the termination of a disadvantageous trade relationship and ₹ 7,550 as compensation paid to an accountant who had to be removed from service in the interest of business.
- b. ₹ 3,000 included in the legal expenses were incurred for defending a criminal case against the manager of the company.
- c. Admissible depreciation as per Income Tax Act ₹ 37,000.
- d. Bad debt recovered were not allowed as a deduction by the assessing officer in the earlier assessment for lack of proof.

The P&L a/c of the company as on 31.03.2019 is given below:

P&L a/c for the year ended 31.03.2019

General Expenses	29,350	Gross Profit	1,70,710
Office Salaries	5,000	Profit on sale of building (business building)	20,000
Bad debt	2,000	Bad debts recovered	6,200
Motor car expenses	4,500	Refund of Income tax	4,750
Commission for raising loans	8,200	Dividend on preference shares (Indian Company)	7,000
Petty expenses	5,000		
Legal expenses	7,560		
Donations (approved)	2,500		
Donation (PM's relief fund)	6,000		
Preliminary expenses	8,500		
Depreciation	34,500		
Repairs	4,200		
Net Profit	89,950		
	2,08,660		2,08,660

You are required to compute the total income and tax payable by the company for the previous year 2018-19.

21. A taxpayer has multiple places of business in different states. Apply the rules for determining the place of business for GST registration and discuss the implications for tax compliance. (A)

22. What is meant by the expression Best Judgment Assessment? Under what circumstances can recourse be had to this method of assessment? Are there any remedies open to the assessee such assessment? ()

(5 x 2 = 10)

OBE: Questions to Course Outcome Mapping

CO	Course Outcome Description	CL	Questions	Total Wt.
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Cognitive Level (CL): Cr - CREATE; E - EVALUATE; An - ANALYZE; A - APPLY; U - UNDERSTAND; R - REMEMBER;