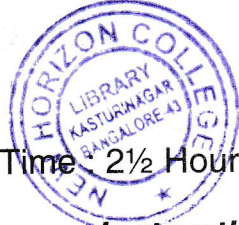


V Semester B.Com. Examination, December 2024/January 2025
(NEP Scheme) (Freshers and Repeaters)



Time - 2½ Hours

COMMERCE
Income Tax Law and Practice – I

Max. Marks : 60

Instruction : Answer should be in **Kannada** or **English**.

SECTION – A

1. Answer **any five** of the following sub-questions. **Each** sub-question carries **2 marks** : (5×2=10)
- What is composite rent ?
 - State any 2 emoluments/lump sum amount received by an employee at the time of his retirement.
 - Who is ordinarily resident ?
 - Define the term 'Previous year'.
 - How do you treat loss from vacancy while calculating gross annual value ?
 - State any 2 deductions eligible to deduct under Section 16.
 - State any 2 functions of Income Tax Officer.

SECTION – B

Answer **any three** of the following questions. **Each** question carries **4 marks** : (3×4=12)

- State the basic conditions as per Section 6(1) and additional conditions as per Section 6(6) of Income Tax Act.
- Calculate gross annual value from the following :
Rent received Rs. 1,20,000
Unrealized rent – one month
Municipal rental value Rs. 1,26,000
Fair rental value Rs. 1,32,000
Standard rental value Rs. 1,08,000
Vacancy loss – one month.

P.T.O.



4. State whether the following incomes are agricultural income or non-agricultural income :
- a) Income from interest on arrears of rent payable in respect of land used for agricultural purpose.
 - b) Income from agricultural land situated in Australia.
 - c) Income from sale of forest trees of spontaneous growth.
 - d) Remuneration received as manager of an agricultural farm house.
5. Following are the particulars of incomes received by Mr. Anish in the previous year 2023 – 24. Compute taxable income if he is : Resident, Not-ordinarily Resident and Non-Resident.
- a) Income from agriculture in Bangladesh received and spent there Rs. 8,000
 - b) Dividend paid by an Indian company received in Canada Rs.10,000
 - c) Income from business in India but received in Canada Rs. 5,000
 - d) Interest on Post Office Savings Bank A/c Rs. 1,000.
6. Mr. Ninad is employed for a salary of Rs. 8,000 p.m. He is also getting DA of Rs. 3,000 p.m. of which 30% is entered into superannuation purpose. He receives sales commission of Rs. 12,000 on his achievement in sales. on 30/10/2023 he retired from his service after serving for a period of 25 years and 6 months. He received Rs. 5,00,000 as gratuity under the Payment of Gratuity Act. Compute his taxable gratuity for the Assessment Year 2024 – 25.

SECTION – C

Answer **any three** of the following question. **Each** question carries **10** marks :
(3×10=30)

7. Mr. Prabhakar is an employee in a company situated in a city whose population is twenty two lakhs. Compute his taxable income from salary for the Assessment Year 2024 – 25.
- 1) Basic salary Rs. 12,000 per month
 - 2) Dearness allowance 40% of basic salary of which 40% considered for retirement benefits.
 - 3) He is provided with rent free house (FRV Rs.3,000 p.m.). Cost of furniture provided Rs. 12,000



- 4) Conveyance allowance Rs. 3,000 per month (75% spent for personal purpose)
- 5) Education allowance for his 4 children Rs. 300 per month each
- 6) Interest free loan provided by the company Rs. 18,000
- 7) Free supply of gas provided by the company for which company pays Rs. 8,500 in a year.
- 8) Employer's contribution towards RPF is 14% of salary
- 9) Interest of accumulated balance on RPF A/c @ 14% amounts to Rs. 21,000
- 10) Life insurance premium paid by the company on behalf of Prabhakar Rs. 14,000
- 11) Professional tax paid by the company on behalf of Prabhakar Rs. 200 per month.

8. Mr. Hemu is an employee working in a company (Bangalore) furnishes the following information. Compute his taxable income from salary for the assessment year 2024 – 25.

- 1) Basic salary Rs. 60,000 per month.
- 2) Dearness pay Rs. 6,000 per month.
- 3) House rent allowance Rs. 8,000 per month but he pays Rs. 6,000 per month as actual rent.
- 4) Uniform allowance Rs. 3,000 per annum (50% spent for personal purpose)
- 5) Hostel allowance for his 3 children Rs. 750 per month each.
- 6) Interest free loan provided by the company Rs. 1,50,000 (SBI Interest rate 16% p.a.)
- 7) Free supply of gas provided by the company for which company pays Rs. 8,500 in a year.
- 8) Employer's contribution towards RPF is 15% of salary.
- 9) He is allowed to use one small motor car for both official and personal purposes.
- 10) Dasara gifts Rs. 7,000
- 11) Professional tax paid by the company on behalf of Hemu Rs. 200 per month.



9. Mr. Arjun Sarja is the owner of a house in Bangalore furnishes the following information. Compute his taxable income from house property for the Assessment Year 2024 – 25.

- ✓ Municipal rental value Rs. 2,88,000
- ✓ Fair rental value Rs. 2,64,000
- ✓ Standard rental value Rs. 2,16,000
- ✓ Actual rent received (10 months) Rs. 2,40,000
- ✓ Unrealized rent (1 month) Rs. 24,000
- ✓ Vacancy loss (1 month) Rs. 24,000
- ✓ Municipal tax payable – 10% of municipal value
- ✓ Municipal tax paid by the owner 80% of municipal value
- ✓ Loan borrowed for the construction of house property Rs. 10,00,000
 - ✓ Rate of Interest : 16%
 - ✓ Loan sanctioned by the bank on 15 July 2017
 - ✓ Date of construction completed : 30 October 2022
 - ✓ Date of repayment of loan : 31st December 2023.

10. Mr. Surya is the owner of following 3 house property in Mysore. Particulars in respect of which for the year ended 31-3-2024 are as follows :

Particulars	I House Rs.	II House Rs.	III House Rs.
Annual rent for 12 months	2,40,000	1,96,000	Nil
Fair rental value	2,20,000	1,80,000	56,000
Standard rent	1,80,000	1,72,000	66,000
Municipal value	2,25,000	1,80,000	60,000
Total municipal tax	22,500	18,000	6,000
Municipal tax paid by Surya	20,000	15,000	6,000
Municipal tax paid by tenant	2,500	3,000	Nil



✗ Repairs expenses	10,000	4,500	2,500
Unrealized rent (PY 2023 – 24)	24,000	26,000	Nil
Vacancy period	3 months	1 month	Nil
Interest on loan for construction	8,000	6,000	22,000
Interest on unpaid interest	1,200	Nil	5,000
Brokerage paid for arranging the loan	5,000	6,000	6,000
Annual charges paid	Nil	3,000	Nil
Unrealised rent recovered (PY 2021-22)	2,500	Nil	Nil
Compute his income from the house property of Mr. Surya for the Assessment Year 2024 – 25.			

11. From the following particulars of Miss Samprada Prabhakar, compute her Gross Total Income for the Assessment Year 2024 – 25. If she is
1. Resident 2. Not ordinarily resident and 3. Non-resident.

- 1) Income from business from Mulbagal controlled from Pakistan Rs. 50,000.
- 2) Income from house property in Japan later on remitted to India Rs. 30,000
- 3) Salary received in India for service rendered in USA Rs. 70,000.
- 4) Profit from business in Ceylon controlled from India (1/3rd profit received in India) Rs. 30,000
- 5) Past untaxed foreign income brought into India Rs. 8,000
- 6) Dividend received from domestic company Rs. 5,000
- 7) Interest on Post Office Savings Bank A/c Rs. 6,000
- 8) Gift in cash from non-relative received in India Rs. 60,000.
- 9) Profit from a business in Nepal Rs. 90,000. The business is managed from Bangalore, one half of the profits are received in Pakistan and the balance remitted to India.



SECTION – D

Answer **any one** of the following question. It carries **8** marks.

(1×8=8)

12. a) Mr. Hemanth Kumar is an Indian citizen who is a businessman in Paris came to India during the previous year on 1st July 2023 and went back to Paris on 30th October 2023. His other particulars are as follows :

PY	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
No. of days stay in India	88	38	220	114	59	125	60	120	181	21

Determine his residential status for the Assessment Year 2024 – 25.

OR

- b) Calculate the total interest on borrowed loan to be deductible under Section 24 of Income Tax Act of 1961 from the following information :
- Amount of loan taken for the purpose of construction of house : Rs. 35,00,000
- Rate of interest : 16% per annum
- Date of sanction of loan by the bank : 18th November 2017
- Date of construction completed : 22nd December 2022
- Date of repayment of loan : 30th September 2023

ಕನ್ನಡ ಆವೃತ್ತಿ
ವಿಭಾಗ - ಎ

1. ಈ ಕೆಳಗಿನ ಯಾವುದಾದರೂ ಐದು ಉಪ-ಪ್ರಶ್ನೆಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಯು 2 ಅಂಕಗಳನ್ನು ಹೊಂದಿರುತ್ತದೆ : (5×2=10)
- a) ಸಂಯೋಜಿತ ಬಾಡಿಗೆ ಎಂದರೇನು ?
- b) ಒಬ್ಬ ಉದ್ಯೋಗಿಯು ತನ್ನ ನಿವೃತ್ತಿಯ ಸಮಯದಲ್ಲಿ ಪಡೆದ ಯಾವುದೇ 2 ಪರಿಹಾರಗಳ ಒಟ್ಟು ಮೊತ್ತವನ್ನು ತಿಳಿಸಿ.
- c) ಸಾಮಾನ್ಯ ನಿವಾಸಿ ಯಾರು ?
- d) 'ಹಿಂದಿನ ವರ್ಷ' ಎಂಬ ಪದವನ್ನು ವ್ಯಾಖ್ಯಾನಿಸಿ.
- e) ಒಟ್ಟು ವಾರ್ಷಿಕ ಮೌಲ್ಯವನ್ನು ಲೆಕ್ಕಹಾಕುವಾಗ ಮನೆ ಖಾಲಿಯಿಂದ ಉಂಟಾಗುವ ನಷ್ಟವನ್ನು ನೀವು ಹೇಗೆ ಪರಿಗಣಿಸುತ್ತೀರಿ ?
- f) ಸೆಕ್ಷನ್ 16 ರ ಅಡಿಯಲ್ಲಿ ಕಡಿತಗೊಳಿಸಲು ಅರ್ಹವಾದ ಯಾವುದೇ 2 ಕಡಿತಗಳನ್ನು ತಿಳಿಸಿ.
- g) ಆದಾಯ ತೆರಿಗೆ ಅಧಿಕಾರಿಯ ಯಾವುದಾದರೂ 2 ಕಾರ್ಯಗಳನ್ನು ತಿಳಿಸಿ.