

School of Finance and Commerce

Department of Finance and Commerce

Mid Term Examination

Exam Date: 26 Sep 2023

Time : 90 Minutes

Marks : 50

Sem V - H1UA502T - Income Tax

Your answer should be specific to the question asked

Draw neat labeled diagrams wherever necessary

- 1) Explain the concept of Previous Year K2 (2)
- 2) Define the concept of Income Tax. K1 (3)
- 3) Explain the difference between Gross Total Income and Total Income. K2 (4)
- 4) Explain the evolution of Income Tax Law in India. K2 (6)
- 5) Develop your consensus on the statement "Income tax is charged on income but there is no definition of the term 'income' under the Income Tax Act; rather it only provides as to what is included in income." K3 (8)
- 6) Identify any fifteen items of income which are totally exempt. K3 (9)
- 7) Examine the exempted incomes for the employees. K4 (8)

- 8) Particulars of Income and losses of the Previous Year 2022-23 of Mr. Sanjay Bansal are given below. Analyze and Compute his Taxable Income for the Assessment Year 2023-24 in all the three cases: (i) Loss of house property situated in Canada (-) 20,000 (ii) Income from house property in India 15,000 (iii) Income from a business in India 40,000 (iv) Loss from business in Australia (-) 25,000 (v) Income from business in Australia which is controlled from there: 50,000 (vi) Interest on Indian Debentures 8,000 (vii) Income from salary in India 1,00,000 K4 (12)

OR

Shri Chaudhry is working in a private college in Jaipur. He provided the following information for his income of 2022-23: (i) Net basic salary Rs. 3,20,000 which is after subtracting Rs. 2,000 for income tax, Rs. 20,000 as contribution to RPF, and rent of the staff quarter Rs. 8,000. (ii) Bonus Rs. 10,000. (iii) Travelling allowance for official purposes Rs. 25,000. (iv) Reimbursement of medical bills Rs. 15,000 (treatment was done in a government hospital in India). (v) He lived in a staff quarter of the college. A gardener and a cook are provided by the college, their salaries of 250 and 800 per month are paid by the college. The college paid in respect of this quarter Rs. 4,800 for the electricity bill and Rs. 1,200 for the water bill. (vi) A large car is given to him for official and personal use. The expenses of the car (including the driver) are met by the college. (vii) He and his college contributed Rs. 20,000 each to his PF account, and interest of 19000 was credited to his account @9.5% p.a. Analyze and Calculate his taxable salary for the Assessment year 2023-24. K4 (12)