

SDE
DIPLOMA IN TAXATION LAW (D.T.L.) (CBCS-2017 COURSE) :
SUMMER - 2018
SUBJECT : INCOME TAX ACT, 1961

Day : **Friday**
Date : **25/05/2018**

Time : **10.00 AM TO 01.00 PM**
Max. Marks : 100

S-2018-4643

N.B.:

- 1) Attempt **ANY SIX** question including **Q. No. 1** which is **COMPULSORY**.
- 2) **Q. No. 1** carries **20** marks and all other questions carry **16** marks each.

Q.1 Write short notes on **ANY FOUR** of the following :

- a) Income
- b) Cost inflation index
- c) Deemed income
- d) Best judgment assessment
- e) Filling of return
- f) Assessee

Q.2 Mr. Guru, a director of Alfa India Ltd, Delhi receive the following salary and perquisites from his employer during the previous year 2016-17.

- 1) Basic pay Rs. 66,000.
 - 2) Profit bonus Rs. 18,000 and D.A. Rs. 2,000 p.m. (enters into retirement benefit)
 - 3) Commission on sales at 4% of turnover of Rs. 18,50,000.
 - 4) Advance salary of April to July, 2016 Rs. 22,000.
 - 5) Employer's Contribution towards recognized provident fund Rs 18,000.
 - 6) Interest credited in R.P.F. account at 13% Rs. 13,000.
 - 7) A rent free furnished house in Delhi. (rent of unfurnished house paid by employer Rs. 84,000 rent of furniture Rs. 18,000)
 - 8) He has been provided free services of a gardener salary Rs. 4,000 p.a. free services of cook salary Rs. 3600 p.a. and free services of watchman salary Rs. 900 p.a.
 - 9) Mr. Guru's 2 children are studying in the school run by employer. The cost of education in similar institution per student is Rs. 1,000 p.a.
 - 10) Electricity bill paid by employer Rs. 3,000 p.a.
 - 11) He has been provided 1800 cc car both official and private purpose. The Assessee pay the running and maintenance expenses for the personal use for car.
 - 12) The assessee is provided with free lunch during working days. (In all 250 lunches Rs. 70 each)
 - 13) He received Rs. 17,000 by way of reimbursement of the hospital bill by the employer.
 - 14) He paid Life Insurance Premium Rs. 15,000 p.a.
 - 15) He paid Professional Tax Rs. 2,500 p.a.
- Compute his taxable Income from Salary A.Y. 2017-18.

Q.3 Mr. Pravin Kumar is the owner of the house in Thane. Retable Value of this house is ascertained at Rs. 36,000/-. He incurred the following expenses:

- a) Municipal taxes paid Rs. 6,000/-
- b) Interest paid to H.D.F.C. Rs. 1,88,000/-

He borrowed the funds from H.D.F.C. for the purpose of construction of this house. The house is occupied by Mr. Pravin Kumar for his own residence. Determining the income under the head "Income from House Property" for the assessment year 2017-18 on the assumption that:

P.T.O.

- i) The above loan taken and acquisition of the house property was prior 1st April, 2006.
- ii) The above loan taken and acquisition of the house property was on 1st April, 2008.

Determine the Income from House Property for A.Y. 2017-18.

- Q.4** Explain the provisions regarding Residential status of individual under Income Tax Act.
- Q.5** Enumerate any 10 incomes which are exempted u/s 10 of the Income Tax Act.
- Q.6** State those expenses which are expressly disallowed while computing Income under Income from Business or Profession.
- Q.7** Define Transfer under the head "Income from Capital Gain." What are those transfers which are directed as not a transfer for capital gain purpose?
- Q.8** Explain provisions regarding set-off, carry forward and set-off losses under Income Tax Act, 1961.
- Q.9** Explain provisions regarding Income Tax Authorities and discuss the power of 'CBDT' under Income Tax Act.
- Q.10** State the provisions relating to penalties under Income Tax Act, 1961.

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