

V Semester B.Com. Examination, Nov./Dec. 2018
(2016-17 and Onwards) (CBCS) (F+R)
COMMERCE

5.3 : Income Tax – I

Time : 3 Hours

Max. Marks : 70

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

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **two** marks. (5×2=10)
- Who is a specified employee ?
 - Who is a person ?
 - Mention any two income tax authorities.
 - What is total income ?
 - What is un-realised rent ?
 - State the meaning of the term 'Deemed Assessee'.
 - What is pre-construction interest ?



SECTION – B

Answer **any three** questions. **Each** question carries **six** marks. (3×6=18)

- Mr. Rajesh an employee of ABC Co. Ltd. Bangalore, retired on 31st May 2017 after completing 28 years of service. His monthly pension was fixed at Rs. 20,000. He commuted 60% of pension on 1st Jan. 2018 and received a sum of Rs. 5,40,000 as commuted pension. Calculate his taxable commuted and uncommuted pension for the assessment year 2018-19.
- Mr. Satish an employee of PQR Co. Ltd. Mysore, has left India for the first time on 16th July 2017 for higher training in U.K. Calculate his residential status for the assessment year 2018-19.
- Briefly explain any three canon of taxation.
- From the following information compute net annual value of house property of Mr. Ganesh for the A.Y. 2018-19.

Fair rental value	Rs. 1,80,000 p.a.
Standard rent	Rs. 1,62,000 p.a.
Rent received	Rs. 16,500 p.m.
Unrealised rent for the year 2017-18	Rs. 24,750
Loss due to vacancy	Rs. 16,500
Municipal tax paid by owners Rs. 21,600 being 10% of municipal value.	

P.T.O.



6. State whether the following are agricultural or non agricultural income.
- Income from supply of water for agricultural purpose.
 - Profit on sale of agricultural land.
 - Income from farm house situated in agricultural land.
 - Interest received from loan given to farmers for agricultural purpose.
 - Income from land used for agricultural purpose by the owner.
 - Salary received by an employee of a company engaged in agricultural operations.

SECTION - C

Answer **any three** questions. **Each** question carries **fourteen** marks. (3×14=42)

7. Sri Ram submits the following particulars of his income for the year 2017-18.

	Amount (Rs.)
a) Income from house property in Hasana received in Paris	6,50,000
b) Salary income from an Indian employer received in Newyork for two months	75,000 p.m.
c) Income from business in Mumbai received in Bangalore (40% remitted to Nepal)	12,50,000
d) Dividend from foreign company received in Chennai	1,80,000
e) Income from business in Hongkong and the business is controlled from Tumkur (25% received in Tumkur)	15,00,000
f) Interest on post office S.B. A/c in Bangalore (account is held in joint names)	17,500
g) Income from agricultural land in Sri Lanka (50% received in India)	2,05,000
h) Share from H.U.F.	60,000
i) Royalty received in India for the services rendered in Japan	6,00,000
j) Interest earned on U.S. Government Bonds received in London	1,75,000
k) Interest on SBI deposits received in Bhutan	7,080
l) Past untaxed foreign income brought to India	6,10,000
m) Interest on housing loan given to Mr. X for construction of house in Bangladesh received in Bangalore	65,020

Calculate his Gross Total Income for the A.Y. 2018-19 if he is

- Ordinary resident
- Not-ordinary resident
- Non-resident.



8. Mr. X, a physically handicapped person working in ABC Company Ltd. Bangalore has furnished the following details of his income for the year 2017-18. Compute his income from salary for the A.Y. 2018-19.
- Basic salary Rs. 40,000 p.m.
 - Dearness allowance enters into retirement benefits Rs. 24,000 p.m.
 - Fixed percentage of commission on sales Rs. 1,500 p.m.
 - Bonus Rs. 65,000.
 - HRA Rs. 12,500 p.m. (Rent paid Rs. 10,600 p.m.)
 - Transport allowance Rs. 4,000 p.m.
 - Reimbursement of medical expenses Rs. 17,500 for treatment taken in private hospital.
 - Management contribution and own contribution to RPF is 15% of salary.
 - Interest credited to RPF is Rs. 11,000 at 11% p.a.
 - Professional tax paid by employee is Rs. 400 p.m.
 - He is provided with more than 1.6 liter capacity car by the company for official use. All the expenses including salary of the driver are met by the company.
 - Children education allowance Rs. 600 p.m. per child for two children and children hostel allowance Rs. 1,000 p.m. for two children.
9. Mr. Praveen is owner of a house property in Mysore. The construction of the house was completed on 18th July 2016. He took a loan of Rs. 8,75,000 from Canara Bank on 1st Nov. 2014 at 11% p.a. The loan was outstanding during the year 2017-18 to the extent of Rs. 5,00,000. From the following information calculate his income from house property for the A.Y. 2018-19.
- Municipal value Rs. 1,44,000 p.a.
 - Fair rental value Rs. 1,80,000 p.a.
 - Standard rent Rs. 1,20,000 p.a.
 - Rent received per month Rs. 18,000.
 - Municipal tax paid is 10% of M.V. (25% paid by tenant).
 - Loss due to vacancy Rs. 27,000.
 - Unrealised rent for the year 2017-18 Rs. 10,000.
 - Unrealised rent of 2016-17 was recovered during 2017-18 Rs. 16,000.
10. Mr. Prakash is the owner of following houses in Bangalore and the particulars of which are relating to previous year 2017-18.



Particulars	House A	House B	House C
	Rs.	Rs.	Rs.
1) Municipal value	1,20,000	1,32,000	1,44,000
2) Fair rental value	1,50,000	1,60,000	1,75,000
3) Standard rent	1,44,000	1,50,000	1,60,000



4) Nature of use	Let out for Residence	Let out for Business	Self occupied for Residence
5) Rent received (p.m.)	15,000	18,000	-
6) Municipal tax paid by owner :			
a) For the year 2016-17	6,000	6,600	-
b) For the year 2017-18	12,000	13,200	14,400
7) Cost of repairs	18,000	12,000	-
8) Interest on loan for construction	45,000	60,000	2,25,000
9) Unrealised for the year 2017-18	12,000	18,000	-
10) Vacancy period (month)	2	2	-
11) Year of completion	2014	2013	2011

Compute the Taxable Income from House Property for the A.Y. 2018-19.

11. From the following information calculate the income from salary of Mr. Anand for the A.Y. 2018-19.

- 1) Basic salary Rs. 40,000 p.m.
- 2) Dearness allowance 60% of basic forming part of salary
- 3) Commission Rs. 18,000.
- 4) Bonus Rs. 60,000.
- 5) Employer and employee's contribution to SPF is 15% of salary.
- 6) Interest credited to SPF is Rs. 12,000 at 10% p.a.
- 7) CCA Rs. 500 p.m.
- 8) Medical allowance Rs. 800 p.m.
- 9) He is provided with a rent free furnished house by the employer for which his employer paid a rent of Rs. 5,000 p.m. to the owner of the house. Cost of furniture is Rs. 1,20,000.
- 10) He is also provided with a car less than 1.6 litre capacity by the employer both for personal and official use. All the expenses of the car including salary of the driver are paid by the employer.
- 11) Free telephone at his residence by the employer valued at Rs. 12,500.
- 12) Professional tax paid by him Rs. 450 p.m.
- 13) Gift voucher worth Rs. 12,500 were issued by the employer.



ಕನ್ನಡ ಆವೃತ್ತಿ
ವಿಭಾಗ - ಎ

1. ಯಾವುದಾದರೂ ಐದು ಉಪ-ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಗೆ ಎರಡು ಅಂಕಗಳು. (5×2=10)
- a) ನಿಶ್ಚಿತ ನೌಕರ ಎಂದರೆ ಯಾರು ?
 - b) ವ್ಯಕ್ತಿ ಎಂದರೆ ಯಾರು ?
 - c) ಯಾವುದಾದರೂ ಎರಡು ಆದಾಯ ತೆರಿಗೆ ಅಧಿಕಾರಿಗಳನ್ನು ತಿಳಿಸಿ.
 - d) ನಿವ್ವಳ ಆದಾಯ ಎಂದರೇನು ?