

(7 pages)

Reg. No. :

Code No. : 31017 E Sub. Code : CECO 51

B.Com. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2025.

Fifth Semester

Commerce

Major Elective — INCOME TAX LAW AND
PRACTICE

(For those who joined in July 2021 and 2022 only)

Time : Three hours Maximum : 75 marks

PART A — $(10 \times 1 = 10 \text{ marks})$

Answer ALL questions.

Choose the correct answer :

1. Previous year ends with

- (a) 31 March
- (b) 31 December
- (c) 30 September
- (d) 30 June

- 2. Exempted incomes are explained under section
 - (a) 23
 - (b) 10
 - (c) 37
 - (d) 24
- 3. Interest on Recognised Provident Fund is exempted upto
 - (a) 12%
 - (b) 10%
 - (c) 9.5%
 - (d) Fully
- 4. Dearness Allowances are
 - (a) exempted
 - (b) partly taxable
 - (c) fully taxable
 - (d) none
- 5. Annual value for self occupied property is
 - (a) 30% of MRV
 - (b) Nil
 - (c) 1/5 of FRV
 - (d) NOTA
- 6. Pre construction interest is eligible as deduction upto
 - (a) Fully
 - (b) 30% portion
 - (c) 1/5 portion
 - (d) 12000

7. Salary given to the proprietor in business is
(a) eligible expenses
(b) disallowed expenses
(c) partly allowed
(d) none

8. TDS is applicable for listed securities at
(a) 30% (b) 20%
(c) 05% (d) 10%

9. Speculative losses can be carry forwarded upto _____ years
(a) 8 (b) 6
(c) 4 (d) 2

10. Exempted total income for Super senior citizen is
(a) Rs. 2,50,000 (b) Rs. 3,00,000
(c) Rs. 5,00,000 (d) Rs. 7,20,000

PART B — (5 x 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Define the term "Person".

Or

(b) Mr. Kevin, a foreign cricket player comes to India since April 2012 every year to play cricket and stays here for 120 days. Find his residential status for the previous year 2022-23.

12. (a) Explain the term Perquisites.

Or

(b) State the provisions for HRA.

13. (a) What do you meant by Net Annual Value?

Or

(b) State the provisions for Pre Construction Interest.

14. (a) Define Capital Gain.

Or

(b) Compute other sources income. (i) interest on Govt. Securities 7,200 (ii) 10% Tax Free securities in Royal limited 90,000. (iii) interest from listed securities 8,100.

15. (a) Explain the term "set off".

Or

(b) What is advance tax?

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Compute taxable income of Mr. Gopi
(i) business income in Chennai 75,000, its
being controlled from London (ii) received a
sum of Rs. 1,00,000 from a non resident
Indian for the technical services provided at
New Delhi (iii) dividend income in Mumbai
5,000 (iv) business income in Dubai 88,000,
its managed from Mumbai (v) sum received
Rs. 90,000 from an Indian Citizen for the
services rendered in England and amount
deposited with bank there (vi) interest on
post office joint savings bank account in
Chennai 22,000.

Or

(b) How do you determine the residential status
of an individual?

17. (a) State the provisions to compute
Accommodation value.

Or

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(b) Compute taxable salary of Mr. Sri Ram for
the previous year 2022-23 (i) basic salary
20,000 p.m (ii) DA 5,000 p.m (iii) Dearness
Pay 50% (iv) own and employers
contribution to RPF account @ 14% salary
(v) interest credited on RPF accumulated
balance @ 11% Rs. 13,200 (vi) employer
provided free accommodation for which
employer paid Rs. 72,000 as annual rent and
furniture also hired from outside source for
Rs. 15,000. (vii) small car also provided
without chauffeur (viii) free gas and
electricity also provided its annual sum
13,500.

18. (a) How do you find annual value for let out
property?

Or

(b) Compute income from house property.
Municipal value 1,00,000 actual rent 10,000
p.m municipal tax @12%. House remains
vacant for 3 months. Interest on loan paid
for construction 9,700 and for for mortgage
3,300. Unrealized rent recovered 15,000.
Total pre construction interest payable
45,000.

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19. (a) Ms. Harisha is a chartered accountant, she supplies you the following particulars for the financial year 2022-23. Compute professional income. Receipts : consultation fee 2,50,000 gift from clients 20,000 gift from relatives 30,000 Appellette Tribunal Appearance 12000 fee for drafting memorandum 10000 Payments : office rent 25,000 stipend to clerk 20,000 books purchased for profession 18,000 donation 5,400 professional tax 2,000.

Or

(b) Explain section 57 in other sources income.

20. (a) Compute total income after setting of the losses. (i) taxable salary 1,50,000 (ii) property computed income 16,000 (iii) garments business profit 1,40,000 (iv) speculative profit 10,000 (v) long term capital gain 24000 (vi) short term gain 8,000 (vii) share of profit from a firm 7,800 (viii) current year depreciation 4,500. The following items are carry forwarded from last year. (1) unabsorbed depreciation 5,000 (2) loss in speculation 15,000 (3) long term loss 15,000 (4) short term loss 6,000

Or

(b) Explain the Assessment procedures to find Total Income.