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T.Y.B.Com Semester VI (Repeat) / One Time Opportunity
EXAMINATION NOVEMBER 2019
Accounting Major 2 : Income Tax & Goods and Service Tax - Paper II

[Duration : Two Hours]

[Total Marks :80]

Instructions:-

- i. Question No.1 is **compulsory**.
- ii. Answer **any 3** questions from the **remaining** questions.
- iii. Show important **working notes** as **fair** work.
- iv. Figures to the **right** indicate **marks** allotted.

- Q.1A) Mr. Kiran, a resident individual in India has made the following donations by cheque to the following Funds/Organizations during the Previous Year 2017-18
- | | | |
|--|----|---|
| a. National Fund for Control of Drug Abuse | Rs | 5 |
| b. Prime Minister's National Relief Fund | | |
| c. Approved Institution established for Charitable purpose | | |
- 19,000
16,000
80,000
- His Gross Total Income for the year 2017-18 is Rs.8,40,000. (He is eligible for deduction of Rs.1,20,000 u/s 80C)
Compute the amount of deduction u/s 80 G for the Assessment Year 2018-19.
- B) Mr. Jayanti, who is ordinarily resident in India, receives the following cash gifts during the Previous Year 2017-18.
- | | | |
|---|----|---|
| i. From office colleagues on her birthday | Rs | 5 |
| ii. From her Mother's friends | | |
| iii. Under will of a great maternal aunt | | |
| iv. From sister of her husband | | |
- 75,000
25,000
1,00,000
50,000
- Compute the amount of gifts chargeable to tax for the Assessment Year 2018-19
- C) Mr. Javeed, a resident in India acquired a residential house property in January 2002 for Rs 20,00,000. He constructed an additional room in September 2012 and incurred an expenditure of Rs. 4,00,000. He transferred the house property in February 2018 for Rs. 80,00,000. He paid a brokerage of 1% of the Sale Consideration.
(Cost Inflation Index: 2001-02: 100, 2012-13: 200, 2017-18: 272)
Compute the amount of Capital Gain for the Assessment Year 2018-19

- D) Mr. Pierre, a registered dealer in Mapusa, Goa, provides the following information for the month of September, 2018 5
 On September 5, 2018 he purchased 5 units of Product 'X' @ Rs.10,000 each.
 On September 20, 2018 he sold to Mr. Sid from Panaji, Goa all the 5 units of Product 'X' with a profit margin of Rs.5,000 per unit.
 The rate of GST is 12% on Product 'X'. The purchase and supply value is exclusive of GST.
 Calculate the Net GST Liability payable by Mr. Pierre for the month of September 2018.

- Q.2 Mr. Aniket Sharma, 55 years of age, who is a resident individual from Pernem, Goa provides the following information of his income during the Previous Year 2017-18. He is the owner of two let out house properties called 'Aashiyana' and 'Ashraya' 20

Particulars	'Aashiyana'	'Ashraya'
	Rs.	Rs.
Municipal Valuation	5,00,000	3,50,000
Fair Rent	4,50,000	3,95,000
Standard Rent under Rent Control Act	4,00,000	3,80,000
Annual Rent	4,80,000	4,20,000
Unrealized Rent of P.Y. 2017-18 (conditions of Rule 4 satisfied) (in months)	1	2
Repairs	44,000	28,000
Vacancy period (no. of months)	1	0.5
Municipal Taxes paid (75% borne by owner)	18,000	12,000
<u>Interest on loan for construction of house:</u>		
Current Year's Interest	82,000	60,000
Proportionate Pre-Construction Period Interest	33,000	23,000
Principal Repayment of Housing Loan	40,000	25,000
Date of receipt of loan	1-2-2015	1-1-2016

He provides the following details of his investments / payments:

- He paid insurance premium on life of his dependent daughter Rs 17,000 (Policy effected in August 2015, Sum assured Rs 1,50,000)
 - Deposited in his PPF Account Rs 75,000
 - He spent Rs 52,000 on the treatment and rehabilitation of his father who suffers from 80% blindness and is wholly dependent on the assessee.
 - He has taken a loan of Rs 9,00,000 in 2015-16 from a Nationalized Bank to fund his daughter's BDS Degree Course. During the year he paid Rs1,40,000 (including interest of Rs 35,000)
 - He paid by cheque insurance premium on the health of self and spouse Rs 18,000 and on the health of his parents (both senior citizens) Rs 34,000
- His computed income from Profession is Rs 5,90,000 and taxable Salary from a part time job is Rs 3,10,000
- Compute his Total Taxable Income and Tax Payable for the Assessment year 2018-19.

- Q.3 Mrs. Susheela, a resident in India, 61 years of age from Anjuna, Goa submits the following details relating to her income earned during the Previous Year 2017-18. Rs 20
- | | | |
|------|--|--------|
| a. | Accrued interest on Fixed Deposits with Kalyani Co-operative Bank | 54,000 |
| b. | Monthly rent from a vacant plot of land let out throughout the year | 12,000 |
| c. | Director's Fees from Jaypee Group of Industries, Kerala | 25,000 |
| d. | Interest on Savings Bank Account in Axis Bank. | 24,000 |
| e. | Dividend received on shares of Foreign Companies (Net, TDS Rs.4,000) | 46,000 |
| f. | Interest paid towards capital borrowed for investment in Kalyani Co-operative Bank | 6,000 |
| g. | Royalty received on writing a book | 44,000 |
| | Expenditure towards preparation of the manuscript | 4,000 |
| h. | Monthly Family Pension from the Government of Goa (w.e.f. 1 st July 2017 onwards) | 6,000 |
| i. | Dividend on shares of Karimba Ltd, an Indian Company (u/s 2(22)(e)) | 8,000 |
| j. | Interest on PPF Account | 37,000 |
| k. | Interest accrued (but not received) for 4 th Year on National Savings Certificate VIII Issue | 39,000 |
| l. | Directors Commission for standing Guarantor to Bankers | 12,000 |
| m. | Rent from letting of a building and machinery under one composite lease | 60,000 |
| | Repairs and insurance of the same | 8,000 |
| n. | Her computed income from Business is Rs 2,05,000 and from Salaries is Rs 4,70,000 | |
| | <u>The other information is as below:</u> | |
| i. | She contributed Rs 26,000 towards National Pension Scheme (Basic salary inclusive of Dearness Allowance being Rs 2,00,000) | |
| ii) | She deposited Rs55,000 with LIC of India for maintenance of her brother dependent on her, suffering from 85% disability. | |
| iii) | Deposited in PPF Account Rs20,000 | |
| | Compute her Taxable Income and Tax payable for the Assessment Year 2018-19. | |
- Q.4 Answer in short **any four** of the following: 20
- a) Provisions relating to exclusion of Unrealized Rent while computing Income from House Property
 - b) Deduction u/s 80 CCC of the Income Tax Act, 1961
 - c) Payment of Advance Income Tax in pursuance of order of Assessing Officer.
 - d) Best Judgement Assessment u/s 144 of the Income Tax Act 1961
 - e) Input Tax Credit under Goods and Service Tax.
- Q.5 Answer in short **any four** of the following: 20
- a) Deductions allowed u/s 24 in the case of a Let Out House Property
 - b) Deduction u/s 80 U of the Income Tax Act, 1961
 - c) Due dates and installments of Advance Income Tax Payable by any assessee under Income Tax Act, 1961
 - d) When can a revised return be filed as per section 139(5) of the Income Tax Act, 1961
 - e) Summary Assessment under Goods and Service Tax.

- Q.6
- A. Answer the following in relation to a 'Capital asset' under Income Tax Act, 1961
 - i) Define 'Capital Asset' u/s 2(14) 5
 - ii) Expenses in connection with transfer 5
 - B. Procedure for Registration under Goods & Service Tax. 10