



RN – 16

B.Com. (Semester – VI) Examination, April 2012
Major – 2 : INCOME TAX, SERVICE TAX AND GOA VALUE ADDED TAX
(Paper – II)

Duration : 2 Hours

Max. Marks : 80

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

1. A) 'Mrs. Garib' who is a resident in India, makes the following investments/
contributions during the financial year 2010-11 : **5**

- i) Insurance premium on the life of her married daughter ₹ 10,000.
- ii) Insurance premium on the life of her dependent mother ₹ 12,000
- iii) Premium on joint life policy of the assessee and her spouse ₹ 52,000.
(Sum assured ₹ 2,50,000).
- iv) Repayment of loan taken on 8-07-2006 from Punjab National Bank for her
husbands's higher education ₹ 35,000 (with interest of ₹ 5,000).
- v) Repayment of loan taken from HDFC Bank to construct her residential
house : principal ₹ 90,000, interest ₹ 18,000.
- vi) Interest accrued for the 5th year on N.S.C. VIII issue ₹ 40,000.
- vii) Own contribution towards unrecognised provident fund ₹ 19,000.

Her Gross Total Income for the previous year 2010-11 is ₹ 5,65,000.
Determine the amount of deduction u/s 80C for the A.Y. 2011-12.

B) 'Mrs. Paisewaan' who is a resident Indian, owns a house property. The property
is let out for residential purposes, the details of which for the financial year
2010-11, are as under :

P.T.O.



Municipal valuation ₹ 2,10,000.

Rent of similar properties in the same locality ₹ 2,20,000.

Standard Rent ₹ 2,00,000.

Monthly rent of the property ₹ 16,000.

The property was vacant for 1 month.

As per the conditions of rule 4, rent of 1½ month was unrealised.

Determine its Gross Annual Value for the Asst. Year 2011-12.

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C) 'Mrs. Naseebwaan' has received the following gifts during the year 2010-11 :

- i) ₹ 21,000 cash from her husband's sister.
- ii) ₹ 41,000 worth movable property from her husband's friend.
- iii) ₹ 1,50,000 cash under will of her friend's relative.
- iv) ₹ 15,000 cash from close friends on her marriage anniversary.

Compute the amount of gifts chargeable to tax for the Assessment Year 2011-12. 5

D) 'Miss. Dukaan' is a dealer registered under the Goa VAT Act, 2005. She provides the following information pertaining to the quarter ended on Dec. 31, 2011.

- i) Sales Turnover taxable @12.5% (including VAT) ₹ 4,50,000
- ii) Sales Turnover taxable @5% (including VAT) ₹ 4,20,000
- iii) Excess input tax credit brought forward from last period ₹ 40,800
- iv) Input tax credit available during the quarter on following purchases :

	VAT	Value (inclusive of VAT)
Goods 'M'	12.5%	₹ 3,37,500
Goods 'N'	5%	₹ 2,10,000

Compute her tax liability for the above quarter, under the Goa VAT Act, 2005. 5

2. 'Mr. Dhanwaan' provides the following details of his two house properties for the previous year 2010-11 :

House properties : →	'AASHIYANA'	'GHARONDA'	Total
Location of the house :	Quepem	Canacona	
Nature of occupation :	(Let out) ₹	(Deemed to be Let Out) ₹	₹
Municipal valuation	5,00,000	7,00,000	12,00,000
Fair rent	6,00,000	6,00,000	12,00,000
Standard Rent	5,50,000	7,20,000	12,70,000
Actual rent received (for 10 months)	6,05,000	-	6,05,000
Municipal taxes paid	1.00%	1.00%	-
Vacancy period	(1 month)	-	-
Unrealised rent (of current year)	60,500	-	60,500
Unrealised rent (of last year)	1,10,000	-	1,10,000
Date of borrowing capital for renovation of properties	31.3.1999	31.03.2009	-
Interest on capital borrowed, due but not paid during the current year	41,000	1,30,100	1,71,100
Repairs	80,000	75,000	1,55,000
Insurance (in proportion of 3:2)	?	?	10,000

Computed income from his self occupied property (chosen by him) for his own residence, works out to be 'Nill'.

He has made the following payments during the financial year 2010-11:

- i) Insurance premium, paid by cheque on the health of his independent parents (senior citizens) ₹ 21,000; on the health of his independent daughter ₹ 5,000; on the health of dependent son and his own health ₹ 18,000.



ii) Contribution to :

Jawaharlal Nehru Memorial Fund ₹ 4,000

Prime Minister's Drought Relief Fund ₹ 3,000

National Children's fund ₹ 5,000

Blankets & Cloths to a NGO worth ₹ 2,000.

iii) Expenditure on medical treatment (including nursing) of his disabled brother with 75% disability, dependent on him ₹ 1,08,000.

His computed income for the year from Business works out to ₹ 6,00,000 and from 'Salaries' from a part-time job ₹ 1,10,000.

Compute his Taxable Income for the Assessment Year 2011-12.

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3 'Mrs. Hairaan', who suffers from 45% disability, provides the following information about her incomes received during the previous year 2010-11 :

a) Rent from sub-letting a property @ ₹ 6,000 per month. Rent paid to the landlord of the property works to ₹ 58,000 for the year.

b) Director's commission for underwriting shares of a new co. ₹ 50,000.

c) Director's sitting fees and remuneration ₹ 25,000.

d) Family Pension ₹ 5,000 per month till November 2010 and thereafter ₹ 6,000 per month. Bank charges on the same ₹ 200.

e) Amount received on maturity of Keyman Insurance Policy ₹ 3,00,000 (including accumulated bonus ₹ 1,00,000).

f) Royalty received for writing a book ₹ 80,000. She spent ₹ 10,000 for xeroxing, typing etc. of the manuscript of the book.

g) Income from undisclosed sources ₹ 90,000.

h) Winnings from card games (gross) ₹ 1,50,000; (TDS was @ 30%; and cost of lottery tickets purchased ₹ 10,000).

i) Agricultural Income from land in Germany ₹ 1,35,000.

j) Dividend received from Virgin (India) Ltd. u/s 2 (22) (e) ₹ 32,000.



Her income from Business is ₹ 3,50,000; and from House Property ₹ 2,50,000. She contributed ₹ 6,000 towards National Sports Fund; ₹ 4,000 towards National Cultural Fund; medicines worth ₹ 10,000 as relief for victims of earthquake in Sikkim and spent ₹ 19,000 towards medical treatment of her dependent mother with 82% disability.

Compute her Total Income for the Assessment Year 2011-12. 20

4 Answer in short **any four** of the following : 20

- a) Deduction u/s 24(b) in case of a let out property.
- b) Deduction under Section 80E of the Income Tax Act, 1961.
- c) Due dates for and instalments of advance payment of income tax.
- d) Due dates for submission of return of income.
- e) Dealers eligible for Composition of Tax, limits of turnover and rates of composition for them, under the Goa Value Added Tax Act, 2005.

5 Answer in short **any four** of the following : 20

- a) Provisions regarding income from house property, not actually occupied by the owner owing to employment at any other place u/s 23(2)(b).
- b) Deduction under Section 80CCC of the Income Tax Act, 1961.
- c) Payment of advance income tax by virtue of order of Assessing Officer.
- d) Summary Assessment without calling the assessee u/s 143(1).
- e) Definition of 'Dealer' under the Goa Value Added Tax Act, 2005.
('explanations' given under the Act need not be covered here).

6 a) Explain the following in relation to a capital asset :

- i) Full value of consideration. 5
- ii) Procedure of computation of short-term capital gain. 5
- b) What is 'Sale' under the Goa Value Added Tax Act, 2005? 10