



SUB – 14

**B.Com. (Semester – VI) Examination, April 2013**  
**Accounting 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) 'Mr. Thunder' a resident in India, received the following gifts on the occasion of his first marriage anniversary on 31.12.2011 :
- i) A cheque of ₹ 51,000 from his college days friend.
  - ii) A bank draft from his wife's sister's husband ₹ 61,000.
  - iii) A cash gift of ₹ 55,000 from his parents.
  - iv) A movable property from his wife's old friend ₹ 41,000.

Compute the amount of gifts chargeable to tax for the Assessment Year 2012-13.

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- B) 'Mr. Bawander' a resident Individual, is the owner of a let out house property, the details of which for the Previous Year 2011-12 are :

	₹
Municipal Valuation	3,00,000
Standard Rent as per Rent Control Act	3,55,000
Fair Rent	3,20,000
Annual Rent (if the property is let out throughout the year)	3,60,000
Unrealised Rent of the Previous Year 2011-12	10,000

The house property remained vacant for 2 ½ months

Compute the Gross Annual Value of house property for the Assessment Year 2012-13.

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- C) 'Mr. Toofan', a resident individual pays the following mediclaim insurance premium during the year, by cheques, on the health of the following to get tax benefit u/s 80D of the Income Tax Act, 1961 :

	₹
i) Assessee himself	6,000
ii) His wife Mrs. Toofan (dependent on assessee)	8,000
iii) His son (dependent on assessee)	3,500
iv) His daughter (working as a Sales Executive)	5,000
v) His father (70 years of age)	16,000
vi) His mother (65 years of age)	5,000

Compute the amount of Deduction u/s 80D for the Assessment Year 2012-13.

- D) 'Mr. Flood', a registered dealer in Goa, provides the following information for the quarter ended 31<sup>st</sup> March, 2013 :

- i) Sales Turnover taxable @ 12.5% (including VAT) : ₹
- |                           |          |
|---------------------------|----------|
| Sold for Cash             | 3,37,500 |
| Sold for deferred payment | 2,92,500 |
- ii) Excess Input Tax Credit brought forward from last quarter ₹ 31,980
- iii) Input Tax credit available on the following purchases made during the period :

Material	Value (inclusive of VAT)	VAT
"X"	₹ 2,34,000	12.5%
"Y"	₹ 3,15,000	5%

Compute his tax liability for the above quarter under Goa VAT Act, 2005

2. 'Mr. Cyclone' is the owner of three house properties. The details of his income for the previous year 2011-12 are as follows :

Particulars	House 1	House 2	House 3
	Let out ₹	Deemed to be Let out ₹	Self- occupied ₹
Municipal Valuation	1,90,000	2,50,000	1,50,000
Fair Rent	1,85,000	2,75,000	1,55,000
Standard Rent under Rent Control Act	1,70,000	2,40,000	1,45,000
Annual Rent if property is let out throughout the year	1,44,000	-	-
Unrealised Rent of the previous year 2011-12	8,000	-	-





Vacancy Period	01 month	-	-
Municipal Taxes of the previous year 2011-12 :			
- Paid by Mr.Cyclone	-	5,000	2,500
- Paid by the tenant	3,500	-	-
Interest on capital borrowed (during 2008-09) for construction	36,000	55,000	-
Interest on capital borrowed for repairs	-	-	1,00,000
Insurance Premium paid	4,000	20,000	5,000

During the year he has made the following payments/contributions :

- i) ₹ 19,000 to the National Children's Fund.
- ii) ₹ 15,000 to Indira Gandhi Memorial Trust.
- iii) ₹ 7,500 to National Sports Fund.
- iv) ₹ 50,000 to the State Government for the purpose of promoting family planning.
- v) He has taken a loan of ₹ 7,50,000 four years back, from a nationalised bank to fund his son's MBA degree course, towards which during the year he repaid an instalment of ₹ 1,80,000, including interest of ₹ 40,000.

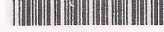
His computed income from Salaries for the financial year 2011-12 comes to ₹ 3,40,900.

Compute his Total Income for the Assessment Year 2012-13.

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3. 'Ms. Tsunami', who is ordinarily resident in India, provides the following information about her incomes received during the previous year 2011-12 :
- i) Rent from letting of a building and machinery under one composite lease ₹ 27,000. Repairs of the same amount to ₹ 2,000.
  - ii) Income from articles published in 'Economic Updates', a national journal ₹ 9,000.
  - iii) Rental income from a vacant plot of land @ ₹ 5,000 per month for 6 months.
  - iv) She lives in a rented house. Since the house is too big for her family, she has sub-let half of the house on a monthly rent of ₹ 2,000. Expenses relating to the sub-let portion of property were ₹ 6,200.
  - v) She has written a revised edition of a book which has fetched her royalty of ₹ 45,000. She claims deduction of the following expenses : Salary to the office assistant for typing the manuscript ₹ 12,000 and purchase of reference books for ₹ 4,000 in connection with revision of the book.
  - vi) Interest on Fixed Deposits held in Sasuraal Ltd. ₹ 21,000 (Net after TDS of ₹ 2,500).
  - vii) Income tax refund (including interest of ₹ 1,000) ₹ 15,000.
  - viii) Interest on Bonds issued by a British Company ₹ 34,000 (Gross).





- ix) Interest accrued but not received on National Savings Certificate VIII issue (for the 3<sup>rd</sup> year) ₹ 45,000.
- x) Dividend received from Mongolia Ltd. a foreign company ₹ 24,000. The Bank charges commission of ₹ 800.
- xi) Family Pension of ₹ 6,500 per month from 1<sup>st</sup> October 2011 onwards.
- xii) Winnings from Horse Races ₹ 35,000 (Net after TDS @ 30 %).
- Her computed income from Profession is ₹ 6,50,000.
- She has made the following contributions/ deposits during the year :
- Donation of 100 Blankets to a Shelter for the Homeless worth ₹ 14,000.
  - National Foundation for Communal Harmony ₹ 12,000.
  - Insurance premium on the life of dependent son ₹ 20,000 (sum assured ₹ 90,000).
  - Insurance premium on the life of dependent mother ₹ 12,000.
  - ₹ 40,000 deposited in a 5 year time deposit scheme of post office.
  - ₹ 50,000 as tuition fees for her daughter who is pursuing her Medical Degree.
- Compute her Total Income for the Assessment Year 2012-13. 20
4. Answer in short **any four** of the following : 20
- Pre-construction period and deduction on account of interest of pre-construction period of House Property.
  - Deduction in case of a disabled assessee u/s 80U.
  - Payment of advance income tax by virtue of order of the Assessing Officer.
  - Due dates for filing returns of Income as per Income Tax Act, 1961.
  - Definition of 'Business' under Goa VAT Act, 2005.
5. Answer in short **any four** of the following : 20
- Deductions u/s 24 in case of Let Out House Property.
  - Deduction u/s 80DD of Income Tax Act, 1961.
  - When does Advance Income Tax become due ?
  - What is Best Judgement Assessment under Income Tax Act, 1961 ?
  - Provisions relating to Payment of Tax under Goa VAT Act, 2005.
6. a) Explain the following in relation to Capital Gains : 5
- Expenses in connection with transfer. 5
  - Full value of consideration. 5
- b) Define 'Sale' under Goa VAT Act, 2005. 10