

Roll.No.

24UCOCT5015

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - V

24UCOCT5015 - Income Tax Law and Practice - I

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions (6 × 5 = 30 Marks)

1. State the objectives of taxation.
2. Rajan owns three houses, two of which are Self-occupied. The particulars of the houses are as under.

	House 1 (Rs.)	House 2 (Rs.)	House 3 (Rs.)
Municipal value	70,000	90,000	40,000
Fair Rental value	78,000	1,20,000	45,000
Standard rent	-	1,00,000	380,000

Compute the Gross Annual value of the property for the AY 2024-25.

3. The Profit and Loss A/c of a firm shows a profit of Rs.50,000 after debiting the following expenses.

	Rs.
Income Tax paid	30,000
Travelling exp.(business)	20,000
Penalty & Fees	40,000
Sales Tax	30,000

Compute the business income as per tax provisions.

4. Explain permanent account number(PAN).
5. Compute taxable part of annual salary from information given below :

	Rs.
Net Salary received	72,000
Income tax deducted at source	4,000
Professional tax deducted at sources	1, 200
Group Insurance : premium deducted by the employer	1,200
Rent of house deducted out of salary	3,600
LIC premium paid by employee	6,000

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6. Solve the Gross Annual Value for a house which is let out. From the following details

	Rs.
Municipal Value	1,05,000
Fair Rent	1,07,000
Standard Rent under rent Control Act	Nil
Actual rent received	1,02,000
Vacancy Period	Nil
Unrealised rent	Nil

7. Prepare the tax payable by A&B from the following information.

Particulars	A (Rs.)	B (Rs.)
Sales	35,00,000	2,10,00,000
Less: Expenses: Cost of Goods sold	30,00,000	2,00,00,000
Gross profit	5,00,000	10,00,000
Less: Other business Expenses	2,00,000	9,00,000
Business Income	3,00,000	1,00,000

8. Explain "Due date of filing return".

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Explain (a) Income (b) Person (c) Assessment year (d) Previous year.
10. Details of an Employee's Salary:

	Rs.
Salary	80,000
DA (Dearness allowance)	8,000
CCA (City compensatory allowance)	2,000
MA (medical allowance)	1,500
Club bills paid by employer	4,000
Professional tax paid by employee	1,500
Employer's contribution to RPF	6,000
Interest on RPF at 10%	12,000

From the above details, Compute whether the employee is a specified employee under each of the situation given below:

- (i) He is neither a director in the company nor holds any shares in the company.
- (ii) He is a director in the company.
- (iii) He holds 25% share capital of the company.
- (iv) He holds 18% of share capital of the company.

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11. Mr.X has occupied three houses for his residence details of which are given below.

Particulars	House I Rs.	House I Rs.	House I Rs.
FRV	10,00,000	12,00,000	6,00,000
MRV	7,00,000	11,00,000	8,00,000
Standard rent	9,00,000	14,00,000	4,00,000
Municipal taxes 10% of MRV			
Interest on Loan borrowed for construction (Loan borrowed during April 2012)	2,50,000	2,25,000	2,10,000

Ascertain the Income from House Property.

12. Shri.Singh is practising as a Chartered Accountant in Delhi. He deposits all receipts in his Bank Account and pays all expenses by cheque. Following is the analysis of his bank account for the year ending 31-3-2024. Compute his income from profession :

Receipts:	Rs.
Consultation	4,00,000
Audit Fees	90,000
Appellate Tribunal appearance	50,000
Presents from clients	20,000
Interest on Govt.Securities	60,000
Rent received from house	70,000
Loan from client	1,00,000
Miscellaneous receipts	7,000
Payments:	
Computer purchased	50,000
Stipend to articled clerks	24,000
Office expenses	30,000
Office Rent	15,000
Salaries and Wages	18,000
Printing and Stationery	5,000
Subscription to C.A Institute	800
Purchase of books for professional use (Annual publication)	10,000
Travelling expenses	12,000
Interest on Loan	15,000
Donation to NDF	20,000

Additional Information

- Travelling expenses are incurred for profession.

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2. Computer is purchased on 1-8-23 and used for office purpose.
3. 50% of the books were purchased in August 2023
4. 1/2 of travelling expenses are disallowed.
5. 1/2 of the loan from client is used for personal purpose.

13. Examine the various Income Tax Authorities.
