

Enrollment No: _____

Exam Seat No: _____

C.U.SHAH UNIVERSITY

Winter Examination-2015

Subject Name : Taxation-II

Subject Code : 4CO04TAX1

Branch : B.Com. (Commerce)

Semester : 4

Date : 19/ 11/ 2015

Time : 2:30 To 5:30

Marks : 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
 - (2) Instructions written on main answer book are strictly to be obeyed.
 - (3) Draw neat diagrams and figures (if necessary) at right places.
 - (4) Assume suitable data if needed.
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- Q-1** **Attempt the following questions:** **(14)**
(MCQ/Short Type of Questions=1 mark*14=14 marks)
- a) During which year service tax was introduced? **(01)**
 - b) In how many steps a company has to pay advance tax? **(01)**
 - c) What is the fill form of T.D.S? **(01)**
 - d) Which tax is not deductible from business income? **(01)**
 - e) Dividend on preference share declared by Indian company is____? **(01)**
 - f) On which values of the machine, depreciation should be calculated? **(01)**
 - g) Which works may not be included in services? **(01)**
 - h) Dividend declared by company is____? **(01)**
 - i) Which committee recommended tax on business and professional services? **(01)**
 - j) Write any one inadmissible expenses in context to ‘ Income from other sources ‘ **(01)**
 - k) Transfer of which asset not gives rise to capital gain? **(01)**
 - l) What percentage of service tax was taken in first year? **(01)**
 - m) What percentage of donation to recognized institution is deductible as expenses in business profession? **(01)**
 - n) What is short term capital gain? **(01)**

Attempt any four questions from Q-2 to Q-8

- Q-2** **Attempt all questions** **(14)**
- (A) Shri Rajesh is an advocate. He is maintaining his accounts on cash basis. He provides the following information for the year ended 31st March, 2015. **(07)**



Receipts and Payments Accounts

Receipts	Rs.	Payments	Rs.
To Balance b/d	56,000	By purchase of office equipments	1,20,000
To Professional Fees:		By Office expenses	1,31,000
2012-'13	2,500	By Motor-car expenses	24,000
2013-'14	5,000	By Income tax paid	32,500
2014-'15	5,25,000	By Staff salaries	2,25,500
To loan from clients	55,000	By Interest on loan	5,500
To gift from clients	4,000	By Contribution to P.F	3,250
		By Refund of loan	75,000
		By balance c/f	30,750
	6,47,500		6,47,500

Additional Information:

- 1) Allowable depreciation on motor-car is Rs. 7,500
- 2) 20% of motor car expense is for personal use.
- 3) Outstanding fees amount to Rs. 3,000
- 4) Calculate 10% depreciation on office equipments.

Compute taxable income for assessment year 2015-'16.

(B) Write any seven expenses which are expressly disallowed in business income. (07)

Q-3 Attempt all questions (14)

(A) Find out taxable capital gain from the following transactions carried out by Mr.X for the year ended on 31-3-'15 (14)

Relevant Index Numbers:

1981-'82 = 100	1991-'92 = 199
1985-'86 = 133	1992-'93 = 223
1996-'97 = 305	2014-'15 = 939
1990-'91 = 182	

Particulars	Date of purchase	Purchase price Rs.	Selling price Rs.	Selling Expenses Rs.
1) Share in a firm	1-3-'82	25,000	5,98,000	1,000
2) Jewellery	1-3-'91	54,600	7,54,200	4,000
3) Land in city area	1-3-'97	1,52,500	8,60,300	3,000
4) Non-listed debentures of a company	1-2-'04	1,64,885	2,02,000	2,000
5) Personal Motor-car	1-2-'15	10,00,000	-	-



- Q-4** **Attempt all questions** **(14)**
- (A) Calculate the taxable income of Mr. A under the head 'Income from Other Sources' for the A.Y 2015-16. **(07)**
- | | |
|---|------------|
| 1) Gross interest on debentures of A ltd. | Rs. 4,000 |
| 2) Gross interest on listed debentures of B ltd | Rs. 40,000 |
| 3) Dividend received on equity shares of C ltd | Rs.5,370 |
| 4) Gross amount of bank interest | Rs.26,200 |
- He has paid Rs.1,900 as interest on loan taken for making investment in debentures of B ltd.
- (B) Write seven other incomes under the head' Income from other sources' **(07)**
- Q-5** **Attempt all questions** **(14)**
- (A) Explain Income-tax settlement commission **(05)**
- (B) Explain Central Board of Direct Taxes **(05)**
- (C) Write a note on Appellate Tribunal **(04)**
- Q-6** **Attempt all questions** **(14)**
- (A) Write a note on TDS **(07)**
- (B) Write a note on Payment of Advance Tax **(07)**
- Q-7** **Attempt all questions** **(14)**
- (A) Explain service tax **(07)**
- (B) Explain Payment of service tax **(07)**
- Q-8** **Attempt all questions** **(14)**
- (A) Explain Income of Interest on Securities **(07)**
- (B) Write a note on: Long term capital gain **(07)**

