

Enrollment No: _____

Exam Seat No: _____

C.U.SHAH UNIVERSITY

Summer Examination-2018

Subject Name: Taxation -II

Subject Code: 4CO04TAX2

Branch: B.Com (English)

Semester: 4

Date: 26/04/2018

Time: 10:30 To 01:30

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)
	a) Name any two heads of income	1
	b) State the meaning of profession	1
	c) State the method of depreciation used as per income tax	1
	d) State the meaning of capital gain	1
	e) How many types of capital gain are there?	1
	f) What is the use of fair market value in capital gain?	1
	g) Under which capital gain indexation is permissible?	1
	h) What is meant by casual income?	1
	i) Name any two casual income	1
	j) What is the full name of TDS?	1
	k) Name any two income tax authority	1
	l) What is the full name of CBDT?	1
	m) Why interest is charged by income tax department?	1
	n) What is the full name of ITO?	1

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

Q-2	Attempt all questions	(14)
	a Name any five allowable & non allowable expenses under income from business & profession.	7
	b Explain block of method of providing depreciation with imaginary figures	7
Q-3	Attempt all questions	(14)
	a Explain any two deductions allowable under capital gain	7
	b Explain transfer of a Capital Asset [Section 2(47)] for Computing Capital Gain	7
Q-4	Attempt all questions	(14)
	a Short note : Grossing up of Interest	7
	b Explain rules of taxability of gift as discussed under income from other sources	7



- Q-5 Attempt all questions (14)**
a Write a short note on advance tax 7
b State powers & duties of commissioner of income tax 7

- Q-6 Attempt all questions (14)**
a Net profit as per P & L A/C for A/Y 2018-19 of Mr. X (Turnover Rs.2.5 Crore) is Rs. 5, 00,000 after considering below items. Find out his profit as per income tax under the head income from business & profession. 7

Particulars	Amount
Rent received	25,000
Donation given	15,000
Bad debt reserve	10,000
Discount received	5,000
Income tax paid	27,000
Interest received on FD	12,000
Tuition fee of daughter paid	18,000

- b** Mr. X a doctor submits below receipt & payment account for the year ending 31/3/18 find out his income under the head income from business & profession. 7

Receipt	Amount	Payment	Amount
Opening balance	3,00,000	Salary to staff	8,00,000
Case fee income	5,00,000	Rent of hospital	7,00,000
Operation income	45,00,000	Medical magazines	1,00,000
Sale of medicine	2,00,000	Depreciation as per I.T	5,00,000
Consultancy income	8,00,000	Drawings	1,50,000
Gift from patient	1,00,000	Purchase of medicines	50,000
Interest received	2,00,000	Purchase of own house	40,00,000
Salary from medical college	10,00,000	Closing balance	13,00,000
Total	76,00,000		76,00,000

- Q-7 Attempt all questions (14)**
a Mr. A sold the house purchased on 1/4/79 for Rs.1,00,000 for Rs. 45,00,000 and paid expenses of Rs.1,00,000 on sales on 12/5/16, fair market value of the house as on 1/4/81 was Rs.2,00,000. Find out capital gain. 7
 If he purchased a new house on 1/6/16 for Rs.8,00,000 find out taxable capital gain for A/Y 17-18. Cost of index for the year 81-82-100 & for the year 16-17-1125
b Mr. A purchases gold on 1/5/16 for Rs. 80,000 and paid brokerage of Rs. 2,000 and sold the same on 1/7/16 for Rs. 1, 50,000 and paid brokerage Rs. 5,000 find out capital gain for A/Y 17-18. 7

- Q-8 Attempt all questions (14)**
a Calculate income from other sources of Mr. X for A/Y 2017-18 from below information 7

Particulars	Amount
Agricultural income from Varanasi	2,00,000
Dividend from company of USA	1,00,000
Ground rent	3,00,000
Paper assessment fee	50,000



Interest from bank	40,000
Gift from uncle	10,000

b What is meant by income from other sources? State any five incomes taxable under this head.

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