

C.U.SHAH UNIVERSITY

Winter Examination-2018

Subject Name : Taxation-II

Subject Code :4CO04TAX2

Branch:B.Com (English)

Semester :4

Date : 23/10/2018

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.

- Q-1 Attempt the following questions: (14)**
- a) Which of the following expenses are inadmissible in context to income from Business? 1
 - A) Income Tax
 - B) Sales Tax
 - C) Service Tax
 - D) None of the above
 - b) What is the specified period of holding to treat it as a long-term capital asset? 1
 - A) More than 60 months;
 - B) More than 36 months;
 - C) More than 24 months;
 - D) More than 12 months;
 - c) If Previous year is 2017-'18 than Assessment year..... 1
 - A) 2017-'18
 - B) 2016-'18
 - C) 2019-'20
 - D) 2018-'19
 - d) In which year the service tax was introduced in India? 1
 - A) 1992
 - B) 1994
 - C) 1995
 - D) 2005
 - e) Rent received from a sub-tenant of house property would be treated as income from 1
 - A) Business Income
 - B) Income from other sources
 - C) House property income
 - D) None of the above
 - f) Long term capital gain is realized if shares of a company are transferred after 1
 - A) 12 months of acquisition
 - B) 18 months of acquisition
 - C) 24 months of acquisition
 - D) 36 months of acquisition
 - g) Which of the following taxes is deductible from Business Income? 1
 - A) Professional Tax
 - B) Income Tax
 - C) Wealth Tax
 - D) None of the above
 - h) Transfer of which type of the following assets does not give rise to capital gain? 1
 - A) Residential house
 - B) Share
 - C) Bonds
 - D) Motorcar
 - i) If net interest is Rs.4,000 (T.D.S 20%), find out the amount of grossing up of interest, 1
 - A) Rs. 4,000
 - B) Rs.2,450
 - C) Rs.5,000
 - D) Rs.5,950
 - j) What is the date of payment of first installment of advance tax for other than company assessee? 1
 - A) On or before 15 June
 - C) On or before 15 December



- B) On or before 15 September D) On or before 15 March
- k) Write the full form of T.D.S 1
- l) Income Tax Authorities are appointed by..... 1
- m) A period for short term capital asset is..... 1
- n) Full form of CBDT is 1

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

Q-2 Attempt all questions (14)

(A) From the particulars given below, compute the total admissible depreciation for the assessment year 2017-18 7

- 1) Depreciation value (W.D.V.) of Plant and Machinery as on 1-4-2016 Rs. 1,25,000
- 2) Unabsorbed depreciation of the above plant and Machinery carried forward from the assessment year 2016-17 Rs. 4,500
- 3) Rate of depreciation on Plant and Machinery 30%
- 4) Cost of Plant and Machinery purchased on 1-1-2017 Rs.80,000
(The rate applicable to new plant also 30%)

(B) Write any seven deductions expressly allowed under the law 7

Q-3 Attempt all questions (14)

(A) Write short note on Capital Gain 7

(B) Explain classification of securities 7

Q-4 Attempt all questions (14)

Shree Radha has done following transactions for the Accounting year 2015-'16. 14

Find out taxable capital gain :

No.	Name of Assets	Date of purchase	Purchase price Rs.	Date of sale	Selling price Rs.	Transfer Fee Rs.	Index No.
1	Urban land	1-1-75	9,000	1-1-16	1,38,000	3,100	100
2	Residential House(only one)	1-1-97	61,000	1-1-16	4,66,200	6,400	305
3	Jewellery	1-1-87	28,000	1-1-16	2,61,000	1,200	140
4	Personal Car	1-1-09	44,700	1-1-16	25,000	1,000	447

Other information:

- 1) Fair market value of urban land on 1-4-81 was Rs.10,000



2) She purchased a new residential flat for Rs.1,43,600 on 1-3-16

3) Index Number for the financial year 2015-16 is 1,081

- Q-5** **Attempt all questions** **(14)**
- (A) Write a short note on Tax Deducted at sources **7**
- (B) Explain Advance Payment of Tax **7**
- Q-6** **Attempt all questions** **(14)**
- (A) From the information given below, calculate the taxable income from other sources of Yug for A.Y.2017-‘18 : **10**
- Rs.
- | | |
|--|--------|
| 1) Interest on redeemable debentures (T.D.S. rate 10%) | 7,200 |
| 2) Preference share dividend | 30,000 |
| 3) Interest on government securities | 15,000 |
| 4) Interest on Surat Municipal Corporation Bonds | 2,500 |
| 5) Interest on foreign government securities | 7,000 |
| 6) Dividend on shares of Indian Companies | 2,100 |
- He has paid Rs.400 for collecting interest and Rs.400 as commission for purchase and sales of shares.
- (B) Explain types of Capital Asset. **4**
- Q-7** **Attempt all questions** **(14)**
- (A) Write short note on Income-tax Settlement Commission **7**
- (B) Explain Executive Authorities **7**
- Q-8** **Attempt all questions** **(14)**
- (A) Write the powers of Income- tax Officers **7**
- (B) Write short note on fully exempted securities **7**

