

Case II- Mr. A and Mr. B were partners in firm AB & Co.net profit of the firm before interest & salary to partners was Rs. 13, 00,000.
Capital invested in both above Cases of Mr. A and Mr. B was Rs.3, 00,000 respectively. On the basis of total tax liability of Mr. A and Mr. B under both forms of organization, decide for A/Y 2018-19 which form of organization will have minimum tax liability.(Presuming interest and salary allowable as per section 40 b is allowable)

SECTION – II

- Q-4 Attempt the Following questions (07)**
- a. State any three intangible properties for the purpose of transfer pricing 1
 - b. State the name of VAT 1
 - c. Who will file application in form 34D of advance ruling? 1
 - d. State any one transaction considered as international transaction 1
 - e. State the meaning of double taxation relief? 1
 - f. Name any two financial decisions with respect to tax planning 1
 - g. State the full name of P/E Ratio 1
- Q-5 Attempt all questions (14)**
- a Write a brief note on different types of indirect taxes in India 7
 - b Explain requisite of rent free furnished accommodation and allowance for house rent as a tax planning tool with respect to employees remuneration 7
- OR**
- Q-5 a Mr. A a musician earning income from concerts performed outside India of Rs. 9, 00,000. Tax of Rs.1, 80,000 was deducted at source in the country where the concerts were given. India does not have any agreement with that country for avoidance of double taxation. Assuming that the Indian income of Mr. A is Rs. 4, 00,000, what is the relief due to him under section 91 for assessment year 2017-18, assuming that Mr. A is resident of India and deposited Rs. 80,000 in LIC. 7**
- b X Ltd. wishes to purchase one asset for Rs.7, 00,000. Rate of depreciation is@ 15% by wdv method, life of the machine is 9 years and rate of income tax is 33.99%. if above asset is purchased (1) by own fund (2) on rent by paying Rs 80,000 at the end of every year up to 9 years. Find out by which method purchasing of the asset will be profitable. Present value at 10% rate of interest is as under.(0909,.826,.751,.683,.621,.564,.513,.467,.424,) 7**
- Q-6 Attempt all questions (14)**
- a Explain with suitable example the provisions of receipt of Insurance compensation. 7
 - b State any seven services taxable under service tax 7
- OR**
- Q-6 Attempt all Questions (14)**
- a How to apply for advance ruling? What is the procedure on receipt of application? 7
 - b Explain in brief the provisions of tax planning with respect to sale of scientific research assets. 7

