

Enrollment No: \_\_\_\_\_

Exam Seat No: \_\_\_\_\_

**C. U. SHAH UNIVERSITY**  
**Winter Examination-2019**

**Subject Name : Taxation-I**

**Subject Code : 4CO03TAX2**

**Branch: B.Com (English)**

**Semester : 3**

**Date : 18/11/2019**

**Time : 02:30 To 05:30**

**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) If the previous year 2018- '19 then the assessment year is \_\_\_\_\_. (1)  
( A ) 2019-20 ( B ) 201 7-18 ( C ) 201 6-17 ( D ) 202 0-21
- b) Which of the following deductions is deducted from the total salary income? (1)  
( A ) Municipal tax ( B ) Professional tax  
( C ) Local tax ( D ) Income tax
- c) How many ways are there to calculate taxes? (1)  
( A ) 1 ( B ) 2 ( C ) 3 ( D ) 4
- d) Which of the following clause is for permanent account number? (1)  
(A) 142 ( B ) 139 A ( C ) 139 B ( D ) 140
- e) PAN = \_\_\_\_\_ (1)  
( A ) Postal Account Number ( B ) Permanent Account Number  
( C ) Personal Account Number ( D ) Permanent Account  
Notification
- f) TDS = \_\_\_\_\_ (1)  
( A ) Tax Deducted at Source ( B ) Tax Deduction at Source  
( C ) Tax Deducted at Scheme ( D ) Tax Deduction at Scheme
- g) Sections 15 to 17 = \_\_\_\_\_ (1)  
( A ) salary ( B ) house- property ( C ) VAT ( D ) capital-  
profit
- h) Which of the following methods is a tax calculation method? (1)  
( A ) Cash method ( B ) Trading method  
( C ) Mixed method ( D ) Step method
- i) The percentage of the standard deduction deducted from the net annual value of let out house? (1)  
( A ) 25 % ( B ) 30 % ( C ) 40 % ( D ) None of these
- j) Where should the land for agricultural purpose be situated for agricultural income? (1)  
(A) In Gujarat ( B ) In India ( C ) In Abroad ( D ) In Delhi
- k) Entertainment allowance complete taxable for \_\_\_\_\_ employee. (1)  
( A ) Government ( B ) Non-Government  
( C ) ( A ) and ( B ) both ( D ) None of



- l) Annual value of a self-occupied house? (1)  
 ( A ) Reasonable Expected Rent ( B ) Municipal Rent  
 ( C ) cannot be considered ( D ) Zero
- m)  $GAV = \frac{\quad}{\quad}$  (1)  
 ( A ) Gross Annual Value ( B ) Gross Assessment Value  
 ( C ) Gross Asset Value ( D ) Gross Addition al Value
- n)  $PF = \frac{\quad}{\quad}$  (1)  
 ( A ) Provident Fund ( B ) Profit Forecasting  
 ( C ) Public Fund ( D ) Profit Fund

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

- Q-2** Attempt all questions (14)
- (A) Mr. Mahesh stayed in India for the period mentioned below after his first arrival. Determine his residential status for the assessment year 2019-20. (9)
- | Accounting Year | Days of presence |
|-----------------|------------------|
| 2013-14         | 70               |
| 2014-15         | 130              |
| 2015-16         | 120              |
| 2016-17         | 100              |
| 2017-18         | 90               |
- (B) Shri Alka of Surat draws Rs. 2,40,000 p.a. as basic salary, Rs. 80,000 p.a. as D.A. (which is added to salary for P.F. purpose) and Rs. 80,000 p.a. as house-rent allowance. He has actually paid Rs. 96,000 p.a. as rent for year 2018-19 (5)
- Q-3** Attempt all questions (14)
- (A) Explain merits and demerits of direct taxes (7)
- (B) Mention any seven agricultural incomes. (7)
- Q-4** Attempt all questions (14)
- (A) Explain exempted incomes. (7)
- (B) Explain the type of return of income. (7)
- Q-5** Attempt all questions (14)
- (A) Shri Drashti (specified employee) is the General Manager of ABC Co. Ltd. From the following details, compute the taxable income from salaries for the assessment year 2019- 20. (14)
- 1) Basic pay-monthly Rs. 20,000
  - 2) Dearness allowance monthly Rs. 2,000 (half of which is part of salary for retirement purpose.)
  - 3) House Rent Allowance - monthly Rs. 6,000 (actual house rent at Ahmedabad monthly Rs. 6,000)
  - 4) Education allowance for two children - monthly Rs. 600
  - 5) Transport Allowance - Monthly Rs. 2,400
  - 6) Hostel allowance for one child - monthly Rs. 500
  - 7) Employer's contribution to Recognised Provident Fund-12.5%.
  - 8) Interest deposited to the balance Recognised Provident Fund at 10%- Rs. 50,000.
- Monthly Rs. 200 is deducted from his salary as professional tax.
- Q-6** Attempt all questions (14)
- (A) Explain "Assessment year "and" Previous year ". (7)
- (B) Explain "Perquisites". (7)



**Q-7** **Attempt all questions** **(14)**

(A) Shri Harshida is the owner of three houses. Find out the taxable income from house property for the Assessment year 2019-20 from the details given below. (14)

Details	house	house	house
1) Consumption	Let-out	Let-out	Self-occupied
2) Municipal value	63,600	61,200	
3) Fair rent	96,000	60,600	-
4) Certified rent Rs. 84 ,000	84,000	62,400	-
5) Payable rent	1,14,000	84,000	-
6) Local taxes	2,500	2,500	5%
7) Empty time	3 months	½ month	-
8) Unpaid rent	9,500	7,000	-
9) offset entitled to a loan for the construction of Interest (left)	24,850	12,000	48,250

**Q-8** **Attempt all questions** **(14)**

(A) The annual municipal value Rs. 56,000, fair rent Rs. 63,000, standard rent Rs. 66,000 and the rent receivable per month Rs.6,000 related to let-out house. Municipal tax is 5%.the vacancy period is one month. The unrealised rent is 6,000. Find out the net annual value of the house. (6)

(B) Mr. Chetan is an employee of Gujarat Sachivalay. His income details for the previous year 2018-19 are as under. (4)

Basic salary monthly	20,000
Dearness allowance monthly	10,000
commission	5% on total sales of
₹ 2,00,000	
Bonus monthly	5,000
Entertainment allowance received monthly	2,000
Out of the entertainment allowance received, Mr. Chetan has spent 20,000 during the year.	

Find the taxable entertainment allowance for the assessment year 2019-20 (4)

(C) Explain the deductions from salary. (4)

