

[A-32 & A-33] SARDAR PATEL UNIVERSITY**BBA (GENERAL) SEMESTER : VI (2010 Batch)****BUSINESS TAXATION - II****SUB CODE: UM06CBBA04/09****DATE: 12-04-2018 (THURSDAY)****TIME: 02.00 P.M TO 04.00 P.M****(MARKS : 60)**

- Q-1 Write Note On: 15**
1. Permanent Account Number.
 2. Residential Status of Individual Assesses.
 3. Agricultural Income.
- OR**
- Q-1 Write Note On: 15**
1. Deduction Under Section 80C.
 2. Fully Exempted Income.
 3. Assessment Year and Previous Year.
- Q-2 15**
- Following are the salary related information of Mr. Ravindra for the previous year 2016-17, calculate taxable salary income.
1. Basic salary Rs. 20000 p.m
 2. Dearness allowance Rs. 2000 p.m
 3. Education allowance for three child Rs. 300 p.m, per child.
 4. Project allowance Rs 3500 p.a.
 5. He has been provided a rent free furnished accommodation owned by employer in Ahmadabad (population more than 25 lakh), furniture of Rs. 30000 has been also provided by employer.
 6. Free telephone facility provided by employer Rs. 500 p.m
 7. Company paid LIC premium of Ravindra and his wife Rs. 3000 p.a.
 8. The employer contributes @ 14% of basic salary towards his recognized provident fund.
 9. Entertainment allowance Rs. 1000 p.m
 10. The company has paid Rs. 5000 as his annual membership fees of a club.

C.P.T.O.)

The company has deducted Rs. 2400 (annual) as professional tax.

OR

Q-2 From the following detail of Salary income of Mrs. Khusbu Rana, for the **15**
FY 16-17 compute her taxable salary of AY 17-18.

1. Basic Salary :
2. From 01-04-2016 to 30-09-2016: Rs. 14000 per month
From 01-10-2016 to 31-03-2017: Rs. 16000 per month
3. Dearness Allowance: 20% of Basic Salary
4. House Rent Allowance: Rs. 2500 p.m (She has paid Rs. 3000 p.m.
as house rent)
5. Entertainment Allowance: Rs. 5000 per annum
6. Hostel Allowance for 1 child Rs. 6000 per annum
7. Company Contribution in Recognized Provident Fund Rs. 24000.
8. Interest credited to Recognized Provident Fund @ 12.5%, Rs.
25000.
9. City Compensatory allowance Rs. 1000 per month
10. The company has paid bill of Rs. 16500 for the use of telephone
facility provided at his residence.
11. Company paid salary of House servant Rs. 18000 per annum.
12. Company paid LIC premium of assessee and her child Rs. 10000
per annum. Company deducted Rs. 200 per month as professional
tax from her salary.

Q-3 From the following information compute the Taxable Income of Shree **15**
Alpesh under the head income from House Property for the A.Y. 2017-18.

	Particulars	House 1	House 2
1	Annual Value as per municipal records	60000	120000
2	Fair Rent	88800	115200
3	Annual Rent Received (Let-out for Residence)	96000	96000
4	Standard Rent	84000	108000

(2)

5	Date of completion of construction	31-3-2013	31-3-2015
6	Municipal Taxes paid during 2016-17:		
	of earlier previous year	24000	---
	of current previous year	12000	24000
	of next previous year in advance	---	24000
7	Insurance premium paid	6000	---
8	Interest on loan paid during construction purpose:		
	• Outstanding interest of earlier previous year paid	12000	---
	• Additional interest paid for late payment of outstanding interest of earlier previous year	2400	---
	• Unpaid interest of current previous year	12000	19200

OR

Q-3

From the following details of house property of Smt. Bhavikadevi, you are required to compute her taxable income from House property for the A.Y. 2017-18. 15

	Particulars	DHYEY (LOP)	LAKSH (SOP)	AKSH (SOP)
1	Municipal Valuation	180000	40000	80000
2	Fair Rent	192000	52000	72000
3	Rent Receivable (P.M)	20000	---	---
4	Municipal Taxes (Paid)	36000	10%	10%(unpaid)
5	Interest (unpaid) on housing loan (for construction or repairs)	8000	12000	6000
6	Insurance premium on	4000	2000	4000

(P.T.O.)

(3)

	building			
7	Date of completion of construction	1-4-2014	31-3-2012	31-3-2013
8	Interest on loan paid during construction period	---	20000	24000
9	Land Revenue	2000	400	600
	Repayment of housing loan	---	20000	24000

Q-4

Rajnath Singh's Profit and Loss A/c for the year ended on 31-3-17 is as under. Find out his taxable income from business and profession. 15

Particulars	Amt.	Particulars	Amt.
Income Tax	15000	Gross Profit	432000
Professional Tax	2000	Bad Debt Recovery	10000
Dividend Collection Tax	1000	Income tax refund	3000
Exp. Of House (Let-Out)	5000	Prof. Tax Refund	1000
Charity	8000	House Rent	80000
Discount	5000	Dividend	12000
Subscription	2000	Director Fees	4000
Legal fee	3000		
Workers Welfare exp.	7000		
Workers Training exp.	5000		
Drawing	12000		
Depreciation	78000		
Travelling exp.	27000		
Interest	5000		
Group Ins. Prem	2000		
Net Profit	365000		
	542000		542000

Additional Information:

1. Travelling Exps. Included Rs. 21000 of personal Exps.
 2. Interest includes Rs. 3000 int on capital and Rs. 2000 loan int.
 3. Unpaid sales tax is Rs. 5000.
 4. Bad Debt Recovered Rs. 4000 was not allowed as Bad debt.
 5. Allowable depreciation is Rs. 75000.
- Advertisement paid is Rs. 2000 is not recovered in the books.

OR

(4)

The income and expenditure account of Dr. Ramesh Dave for the previous year 2016-17 is as under: 15

Expenditure	Amt.	Income	Amt.
Staff salary	448000	Income from nursing home (surgical)	720000
Marriage Exp. of son	172000	Income From Operation	290000
Electricity	64000	Dividend (Gross)	6000
Purchase of medicine and stores	66000	Interest on treasury saving certificate	2000
Telephone exp	10000	Consultation fees	52000
Rent of nursing home	36000	Winning from Royalty	6000
Depreciation of instruments	12000	Birthday gift (of a minor son)	61000
Depreciation of other assets	2000	Rental income of house property	92000
Local taxes	8000		
Rent of equipments	4000		
Insurance premium	14000		
Excess of income over expenses	393000		
	1229000		1229000

Additional Information:

1. Salary included Rs. 120000 paid to his wife who is qualified nurse and attends duty on weekends only.
2. The allowable depreciation on surgical instruments is Rs. 20000 and on other assets is Rs. 1500
3. Municipal taxes include the sum of Rs. 3000 paid in respect of his poverty which is let out.
4. He has received honorarium of Rs. 75000 as a visiting professor.
5. Insurance premium includes Rs. 4000 being mediclaim insurance (self) and Rs. 2000 being life insurance premium.

Compute the taxable income of Mr. Dave from Business and Profession for the Assessment Year 2017-18.

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