বিদ্যাসাগর বিশ্ববিদ্যালয়

VIDYASAGAR UNIVERSITY

Question Paper

B.Com. Honours Examinations 2021
(Under CBCS Pattern)

Semester - III

Subject : ACCOUNTING & FINANCE

Paper : C 6 - T & P

(Income Tax Law & Practice)

Full Marks : 60 (Theory-40 + Practical-20)

Time : 3 Hours

*Candidates are required to give their answers in their own
words as far as practicable.*
The figures in the margin indicate full marks.

(Theory)

Group - A

A. Answer any ***three*** of the following questions :   12×3=36

1. (i) When is an individual said to be resident but not ordinarily resident in India?

    (ii) The incidence of income-tax depends upon the residential status of an assessee—
    Discuss.   4+8

2. Mr. Samar Roy submits the following information relating to previous year 2020-2021.
    Compute his income under the head 'salaries' for the assessment year 2021-2022.

    (i) Basic salary ₹ 20,000 p.m.

(ii) D.A. (60% of which is part of retirement benefits) ₹ 10,000 p.m.

(iii) Children education allowance (for two children) ₹ 200 p.m. for child.

(iv) Free lunch for 300 days in the office during office hours ₹ 80 per meal.

(v) Reimbursement of expenses incurred on credit card provided by the employer ₹ 10,000.

(vi) Gift of Sonata watch ₹ 12,000.

(vii) Rent free unfurnished accommodation in Mumbai, the fair rent value of which is ₹ 84,000 p.a.

(viii) Motor car of 1.8 litre engine capacity with driver both for official and private purposes.

(ix) Watchman facility by the employer. Wages of watchman paid by employer ₹ 1,000 p.m.   12

3. (i) Distinguish between 'Inter-source adjustment' and 'Inter-head adjustment'.

(ii) Mr. Anil Sen submits the following information relating to previous year 2020-2021 :

● Life insurance premium paid on own life (sum assured : ₹ 22,500, policy taken in 2010)   ₹ 6,500

● Life insurance premium paid on the life of his mother.   ₹ 22,500

● Life insurance premium paid on the life of his father.   ₹ 12,800

● Life insurance premium paid on the life of Mrs. Sen (sum assured : ₹ 1,00,000)   ₹ 4,000

● Life insurance premium paid on the life of his major son (since 2015, sum assured ₹ 40,000)   ₹ 3,100

● Life insurance premium due before March 31, 2021 but paid on April 4, 2021 on own life.   ₹ 12,000

● Contribution towards public provident fund.   ₹ 50,000

● Tution fee of his son.   ₹ 12,500

● Contribution made for participating in unit-linked insurance plan.   ₹ 10,000

Compute amount of eduction u/s 80C of Mr. Anil Sen for the assessment year 2021-2022. 3+9

4. Write short notes on : 3×4

   (i) Gross total income

   (ii) Deduction u/s 80 D

   (iii) Permanent Accountant Number (PAN)

5. Sri H. Sarkar furnished the following particulars in respect of his house for the previous year 2019-20. Compute his income from house property for the assessment year 2020-21. 12

	First House (self-occupied)	Second House (let out)
Municipal valuation	Rs. 3,00,000	Rs. 1,60,000
Fair Rent	Rs. 3,60,000	Rs. 1,80,000
Standard Rent	Rs. 2,40,000	Rs. 1,60,000
Rent received	—	Rs. 2,00,000
Vacancy period	—	2 months
Municipal tax 10%	?	?
Construction started on	1.4.2017	1.4.2008
Construction completed on	1.4.2019	1.4.2011
Loan taken for construction @ 10% p.a.	Rs. 15,00,000	Rs. 10,00,000

6. (i) Discuss the admissibility or otherwise of the items mentioned below in the computation of income of Sri H. Roy under the head 'Profit and Gains of Business or Profession' for the assessment year 2020-21.

   (a) Legal charges including lawyer's fees of Rs. 2,100 paid for raising loan from a nationalised bank.

   (b) A security guard of a business store committed theft after breaking into the stores after business hours amounting to Rs. 2,000.

   (c) Incurred cost on a neon sign Rs. 6,000.

   (ii) Mr. Rajib after serving 23 years and 7 months of service in a private concern in Kolkata retired on December 31, 2018 and received gratuity of Rs. 3,80,000. His basic salary and DA at the time of retirement was Rs. 20,000 and 10,000

p.m. respectively. His annual increment of salary of Rs. 1000 p.m. fell due on 1st April each year. Calculate the taxable amount of gratuity of Rajib.

3×2+6

Group - B

B. Answer any *two* of the following questions :   2×2=4

1.   Define previous year with two examples.

2.   Write a note on 'House Rent Allowance'.

3.   What do you mean by perquisite?

4.   State two incomes which are taxable under the head 'income from other sources'.

(Practical)
Paper - C 6 -P
(Preparation of Return of Income)
Marks : 20

Group - A

A. Answer any *one* of the followng questions :   20×1=20

1.   Mr. Sagar Sharma (aged 56 years) is employed in a state government concern. He submits the following information for the previous year 2020-21.

(i)   Basic salary ₹ 40,000 per month.

(ii)   D.A. 100% of basic salary.

(iii)   Medical Allowance ₹ 500 per month.

(iv)   He earned interest from savings account ₹ 18,000.

(v)   He paid ₹ 2,88,000 for House Building Loan (principal ₹ 84,000 and interest ₹ 2,04,000)

(vi)   He contributed to RPF ₹ 7,000 p.m.

(vii)   He contributed to PPF ₹ 50,000.

(viii) He paid LIC premium on his own life ₹ 30,000.

(ix) He paid LIC premium on the life of his mother ₹ 20,000.

(x) He paid professional tax ₹ 200 p.m.

(xi) He paid medical insurance premium by cheque for his own life ₹ 12,000.

(xii) He donated to Prime Minister's National Relief Fund ₹ 10,000.

(xiii) He donated to Prime Minister's Drought Relief Fund ₹ 20,000.

Compute his taxable income and write the steps in filling up ITR-I. 15

2. (i) Fill up Form No. 49A with the help of some hypothetical data.

(ii) Fill up Form No. 15G taking some hypothetical data. 8+7

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