

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.
(For candidates admitted during the academic year 2011-12)

SUBJECT CODE : 11CM/MC/PT64

B.Com. DEGREE EXAMINATION APRIL 2014
COMMERCE
SIXTH SEMESTER

COURSE : MAJOR – CORE
PAPER : PERSONAL TAX ASSESSMENT
TIME : 3 HOURS

MAX. MARKS : 100

SECTION A

ANSWER ALL QUESTIONS:

10 x 3 = 30

1. Who is an assessee ?
2. State the characteristics of salary.
3. State the deductions for a let out house property.
4. Differentiate between less tax and tax free securities.
5. State the importance of PAN.
6. State the corresponding assessment year for the following source of incomes :
 - a. Business commenced on 1.1.2014
 - b. The accounting year for Ms.Deepa's business closes on December 31,2013.
 - c. Ms.Jane joined as a sales executive on 1st September 2012.
7. Ms.Radha retired on 31.12.2012 and her pension was fixed at Rs.6,000 p.m., She gets 3/4th of the pension commuted for which she received Rs.3,60,000 from the employer. Find out the taxable of the commuted pension.
8. Compute the annual value of the following house property :

Municipal Rental value Rs.1,00,000
Fair rental value Rs. 1,50,000
Standard rent Rs.1,25,000
Actual rent Rs.15,000 per month
The house was vacant for 2 months during the year.
9. Compute the taxable interest income :
 - a. Investment in 12% tax free commercial securities listed - Rs.1,00,000 .
 - b. Rs.12,000 interest received from less tax commercial securities unlisted.
10. Compute the total income from the following information :
 - a. Taxable salary income Rs.50,000
 - b. Loss from house property Rs.26,000
 - c. Loss from horse race Rs.10,000

SECTION B

ANSWER ANY FIVE QUESTIONS :

5 x 8 = 40

11. Explain the term assessment year and state the exceptions to the rule that previous years income is taxed in the assessment year.
12. Explain the tax treatment of different types of provident fund.
13. Explain the provisions relating to different types of provident fund.

14. Ms. Joan , a foreign national came to India for the first time on June 15,2007. During the financial years 2007-08, 2008-09, 2009-10, 2010-11,2011-12 and 2012-13, she stays in India for 120 days,115 days, 15 days, 191 days 124 days and 80 days respectively. Determine her residential status for the assessment year 2013-14.
15. Compute the taxable salary for income for the assessment year 2013-14
- | | Rs. |
|--|-------------|
| a. Basic salary | 12,000 p.m. |
| b. Bonus | 12,000 |
| c. Commission | 40,000 |
| d. Entertainment allowance | 2,000 p.m. |
| e. Transport allowance | 1,000 p.m. |
| f. Free use of car of more than 1.6 lt capacity for both personal and employment purposes. Expenses are met by employer. | |
| g. Rent free accommodation at Chennai | |
16. Compute the tax liability of Ms. Alice from the following information:
- | | |
|---|-------------|
| a. Salary income | Rs.5,00,000 |
| b. Income from house property | Rs.30,000 |
| c. Housing loan interest –Rs.15,000, housing loan principal repaid Rs.5,000 | |
| d. Contribution to recognised provident fund Rs.10,000, public provident fund Rs.5,000. | |
17. Compute income from other sources from the information given below:
- | | |
|--|-------------|
| a. Interest on deposits with the company | Rs.15,000 |
| b. Dividend received from R Ltd. | Rs.10,000 |
| c. Winnings form lottery | Rs.1,00,000 |
| d. Expenses on lottery ticket | Rs.10,000 |
| e. Cash gift from a friend | Rs.50,000 |
| f. Interest from bank deposit | Rs.20,000 |
| g. Interest from Tamilnadu government securities | Rs. 10,000 |

SECTION C

ANSWER ANY TWO QUESTIONS:

2x15 =30

18. The following are the incomes of Ms. Usha for the previous year 2012-13 :
- | | Rs. |
|--|----------|
| a. Profit from business in India controlled from Malaysia | 10,000 |
| b. Profit from business in Japan | 50,000 |
| c. Profit from business in Delhi received in Singapore | 1,00,000 |
| d. Profit from sale of agricultural land | 60,000 |
| e. Interest on debentures of an Indian Company received in USA | 15,000 |
| f. Income from house property in Pakistan remitted to India | 50,000 |
| g. Agricultural income from Bangladesh | 10,000 |
| h. Interest from central government securities received in England | 10,000 |
| i. Dividend from an Indian Company | 23,000 |

j. Profit from business in London controlled from Mumbai	56,000
k. Received from foreign securities one third received in India	45,000
l. Income from agriculture in Punjab received in Chennai	20,000
m. Profit on sale of plant at London , one half received in Japan	15,000
n. Income from property in London received there	23,000

Compute the total income if she is a a) Resident, b) Not ordinarily a resident,
c) Non resident

19. Ms. Shobha is a manager of a company in Chennai. Compute her income under the head salary for the assessment year 2013-14 :

a. Basic salary	15,000 p.m.
b. Dearness allowance	5,000 p.m.
c. City compensatory	1,000 p.m.
d. Entertainment allowance	1,000 p.m.
e. Medical allowance	500 p.m.
f. House rent allowance	4,000 p.m.
g. Rent paid for the house	5,000 p.m.
h. She and her employer contribute 15% of salary to R.P.F.	
i. Interest credited at 12% on R.P.F. Rs.4,800	
j. Education allowance for his three children at Rs.500 per month per child.	
k. Ration bill paid by her employer Rs.4,000	

20. From the particulars given below compute income from house property which has two independent units having $1/3^{\text{rd}}$ and $2/3^{\text{rd}}$ area:

Date of completion	1.11.2007
Municipal rental value	Rs.96,000
Fair rental value	Rs.84,000
Self-occupied	$2/3^{\text{rd}}$ portion
Let out	$1/3^{\text{rd}}$ portion at Rs.7,200 p.m.
Municipal taxes	Rs.6,000 p.a.
Fire Insurance premium	Rs.2,000 p.a.
Ground rent	Rs.4,000 p.a.
Interest on loan	Rs.7,500

21. Ms. Anu furnishes the following particulars of her income for the assessment year 2013-14. You are required to deal with set-off and carry forward of losses and compute the tax liability

a. Income from securities	Rs.10,000
b. Income from house property	Rs.15,000
c. Salaries	Rs.3,50,000
d. Loss from self-occupied house	Rs.10,000
e. Loss from gambling	Rs.5,000
f. Loss from self-occupied house brought forward from last year	Rs.8,000
g. She can claim deductions under Sec.80 C –Rs.10, 000 and Sec.80 G – Rs.15, 000.	
