

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

**SUBJECT CODE : 11CM/MC/PT64**

**B.Com. DEGREE EXAMINATION APRIL 2015**  
**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 a person?
2. State the tax provision relating to Public Provident Fund.
3. What are the deductions available for a self-occupied property?
4. State any three incomes taxable under the head income from other sources.
5. State the importance of PAN.
6. State the current previous year for the following incomes/receipts :
  - a. Salary received by Ms. Usha who joined as a sales executive on September 1, 2013.
  - b. Profits from business started on Diwali 2012
  - c. Sale of house property in July 2013.
7. Compute the taxable allowances :
  - a. Conveyance allowance received Rs.2, 500 per month, conveyance expenditure incurred Rs.2, 000 per month.
  - b. Medical allowance received Rs.1, 000 per month, medical expenditure incurred Rs.1, 500 per month.
  - c. Children education allowance received Rs.1, 000 per month per child for two children.
8. Compute the Net Annual value of the following let out property from the following details :
  - a. Municipal value Rs.15,000 per month
  - b. Fair rental value Rs.20,000 per month
  - c. Standard rent Rs.14,000 per month
  - d. Rental value Rs.22,000 per month
  - e. Local tax Rs.2,500, 25% paid by the tenant.
9. Compute the taxable receipt under income from other sources
  - a. Bank interest Rs.5, 000.
  - b. Interest on State Government securities Rs.10, 000.
  - c. Interest on less tax securities of X Ltd. Rs.15, 000.

10. Compute the tax liability of Ms. Asha, whose taxable income for the previous year 2014-15 is Rs.5, 00,000.

### SECTION B

#### ANSWER ANY FIVE QUESTIONS:

5 x 8 = 40

11. How is the residential status of an individual ascertained?
12. Explain the basis of charge for salary income.
13. State the provisions relating to set off and carry forward of losses.
14. Ms. Vanisha is a citizen of India who is running a textile business in Chennai. She is on frequent travel on account of her business : During the previous year 2013-14, she left for Singapore on June 3,2013 and returned on August 20,2013 and left for Thailand on September 2,2013 and returned to Chennai on Sep.29,2013. She left for Hyderabad on October 2, 2013 and returned to Bangalore on October 20, 2013. She left for England on December 2, 2013 and returned to Chennai on April 14, 2014. In the previous year 2012-13 she was in India for 45 days, 2011-12 for 90 days and in 2010-11 for 120 days. She has never left India in the earlier previous years. Ascertain her residential status for the previous year 2013-14.
15. Compute the receipts taxable under the head salary for the previous year 2013-14:
- Basic salary Rs.15,000 p.m.
  - Dearness allowance forming part of salary for retirement benefits Rs.1, 500 p.m.
  - Bonus Rs.10,000
  - City compensatory allowance Rs.1, 000 p.m.
  - House rent allowance received Rs.3,000 p.m., rent paid Rs.3,500 p.m. in Chennai
  - Employer's contribution to Recognised Provident fund Rs.2, 000 p.m.
  - Interest credited to the Recognised Provident fund at 10% is Rs. 12,000.
16. Compute income taxable under the head income from house property from the following information :

	House A	House B
Nature of occupation	Self occupied	let out
Municipal value	Rs.70, 000	Rs.80, 000
Fair rental value	Rs.80, 000	Rs.1, 00,000
Rental value	-	Rs.1, 20,000
House remained vacant	-	2 months
Interest on loan	Rs.50, 000	Rs.30, 000

17. From the following details compute the taxable income of Ms.Nisha for the previous year 2013-14 :
- Taxable salary Rs.1,50,000
  - Loss from house property Rs.10,000
  - Business income from textile business Rs.2,20,000
  - Loss from glass business discontinued Rs.20,000
  - Loss from a joint venture business Rs.50,000
  - Brought forward business loss Rs.35,000
  - Unabsorbed depreciation Rs.60,000
  - Long term capital gain on sale of land Rs.1,00,000

### SECTION C

ANSWER ANY TWO QUESTIONS:

2x15 =30

18. Compute the total income of an individual if she is, a Resident, b. Not Ordinarily Resident and c. Non-Resident:
- Salary received in India for services rendered in Ceylon Rs.50,000
  - Income from business in Singapore controlled from India Rs.1,00,000
  - Income from property in Pakistan Rs.1,00,000
  - Income from agriculture in India Rs.50,000
  - Income from agriculture in Nepal Rs.1,00,000
  - Salary received in Ceylon for services rendered there Rs.1,20,000
  - Dividend received from an Indian company Rs.40,000
  - Income from business in Thailand , one third received in India Rs.1,50,000
  - Income from business in Japan, one half remitted to India Rs.1,00,000
  - Remuneration received for technical services rendered in Japan, two thirds received in India Rs.60,000
  - Dividend received from foreign government securities , 20% received in India Rs.80,000
  - Past untaxed profits remitted to India Rs.40,000
  - Income from business in Delhi, controlled from Singapore Rs.80,000
  - Gift from a friend in Chennai Rs.2,00,000
  - Gift from a friend in UK for her marriage Rs.1,00,000
19. Compute the taxable income of Ms.Anisha for the previous year 2013-14, from the following information :
- Basic salary Rs.30,000 per month.
  - DA not forming part of salary Rs.5,000 p.m.
  - City compensatory allowance Rs.1,500 p.m.
  - Travel allowance Rs.10,000, expenses on travel Rs.8,500
  - Children education allowance Rs.1,200 p.m. per child for her three children, one child is staying in the hostel in Bangalore and the allowance received is Rs.1,500 per month.

- f. She is provided with the rent free furnished accommodation at Chennai, owned by the company. The cost of furniture provided is Rs.1, 00,000. She is also provided with the hired air conditioner for 3 months in a year and the hiring charge is Rs.1, 000 per month.
- g. She is provided with the car with driver for official and personal use.
- h. Bonus received Rs.1, 00,000, of which Rs.20, 000 is gratuitous.
- i. Commission received as a percentage on sales Rs.60,000
- j. She is also provided with the gardner and a cook and the salary paid by the company is Rs.3, 000 p.m. and Rs.5, 000 p.m.
- k. Her mother was hospitalised in a private hospital and the company reimbursed her medical expenditure to the extent of Rs. 30,000.
20. Compute the taxable income from other sources from the following information:
- Income from sub –letting Rs.5, 000 per month. Rent paid for the house Rs.3, 000 per month, expenses incurred – repairs Rs.1, 000, insurance Rs.500.
  - Family pension received Rs.30,000
  - Dividend received from an Indian company Rs.15,000
  - Royalty received Rs.35,000 and the expenditure incurred Rs.5,000
  - Income from horse race Rs.12,000
  - Income from lottery Rs.60,000
  - Expenditure on purchase of lottery tickets Rs.15,000
  - Interest on government securities Rs.5,000
  - Interest on debentures of X Ltd. Rs.5,000 (tax free)
  - Interest on securities of Y ltd. Rs.6,000 ( less tax – unlisted)
21. Compute the tax liability of Ms. Alisha for the assessment year 2014-15 from the following details:
- |   |             |
|---|-------------|
| a. Salary income  | Rs.5,00,000 |
| b. Income from house property                                 | Rs.1,00,000 |
| c. Business loss  | Rs.30,000   |
| d. Long term capital gain on sale of shares                   | Rs.40,000   |
| e. Bank interest  | Rs.50,000   |
| f. Deduction under Sec.80 C – Rs.80,000, Sec 80 G – Rs.50,000 |             |

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