

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022.

First Degree Programme under CBCSS

Stream 1 : Finance

Elective Course IV

CO 1661.1 : TAXATION LAW AND ACCOUNTS

(2018 & 2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one or two** sentences each. Each question carries **1** mark

1. What is MAT?
2. What is TCC?
3. What do you mean by a widely held company?
4. What do you mean by converted property?
5. What is tax planning?
6. What is unabsorbed depreciation?
7. What is tax evasion?
8. Distinguish MAT from AMT.

9. What are the conditions of Section 184?
10. What is GST?

(10 × 1 = 10 Marks)

SECTION – B

Answer **any eight** questions in not exceeding one paragraph each. Each question carries **2** marks.

11. Write any two tax evasion practices.
12. What is meant by tax holiday?
13. What is double taxation?
14. Who is an agent?
15. Define tax avoidance.
16. What is accelerated assessment?
17. What is STT? Explain its implication on LTCG.
18. What does Section 80P deals with?
19. Define trust.
20. What are the schools of Hindu law?
21. What are capital goods?
22. State the provision given in section 40(b).
23. What is PAN?
24. What is input tax?
25. What is IGST?
26. Who is a casual taxable person?

(8 × 2 = 16 Marks)

SECTION – C

Answer **any six** questions in not exceeding **120** words each. Each question carries **4** marks.

27. State the differences between tax planning and tax management.
28. Explain GST Council.
29. What is the need for GST?
30. Compute tax payable by Modern Ltd for the P.Y. 2020-21 under the following cases;
 - (a) Total Income is Rs. 6,00,000 and Book profit u/s 115 JB Rs. 24,00,000
 - (b) Total income is Rs. 4,00,000 and Book profit u/s 115 JB Rs. 6,50,000
31. Differentiate GST from VAT system.
32. Explain different types of companies.
33. What are the cases where reverse charge is applicable?
34. Explain faceless assessment scheme.
35. State the advantages of GST.
36. Nirmal Co-operative society had the following income during the year ended 31st March, 2020. Compute total income.

	Rs.
Income from running of a hospital canteen	42,000
Income from retail business	2,08,000
Income from credit facilities given to members	20,000
Interest on Govt. securities	50,000
Rent received from let-out building	1,20,000
Dividends (gross) on shares held in another co-operative society	13,000

37. Compute total income of a charitable trust for the year 2020-2021.

Income from property held for charitable purpose	15,00,000
Voluntary contributions	5,00,000

The trust utilized the following amount during the year.

(a) Charitable purpose in India	4,75,000
(b) Charitable purpose outside India	75,000
(c) Construction of hospital building for charitable purpose	7,50,000

38. Income tax paid — 50,000 The Karta of a HUF furnishes the following particulars of the income of the HUF for the assessment year 2021-2022. Compute tax liability of the HUF.

Income from House property	—	3,52,000
Long term capital gain	—	31,000
Interest on Govt. securities	—	9,000
Interest on other securities	—	1,000

The family donated Rs. 30,000 for a charitable purpose by cheque.

(6 × 4 = 24 Marks)

SECTION – D

Answer **any two** questions in not exceeding four pages each. Each question carries **15** marks.

39. Explain the general powers of Income tax authorities.

40. Explain the different types of assessment.

41. Discuss the various situations under which tax should be deducted at source.

42. From the following particulars furnished by the Karta of a Hindu Undivided Family, compute the total income of the family for the year 2020-21

	Rs.
Profit from business	50,000
Salary received by a member of the family employed in a Govt Department	40,000
Director's fees received by Karta (individual capacity)	5,000
Municipal value of the property let-out (rent receivable Rs. 10,000)	8,000
Dividend from a co-operative society	4,000
Dividend from an Indian company	5,000
Donations to Rajiv Gandhi Foundation	5,000

During the year the family sold some Jewellery for Rs. 60,000, the indexed cost of which was Rs. 33,536

43. From the information given below, compute income from business of AB associates, a firm of A and B who share profits and losses in the ratio of 1:2 and also calculate the total income of members

Net profit as per P & L a/c (after debiting the following) – Rs 20,000

1. Salary: Partner A – Rs 60,000, Partner B – Rs 40,000
2. Commission: Partner A – Rs 20,000
3. Interest on capital (15%): Partner A – Rs 9,000, Partner B – Rs 6,000
4. Rent paid to partner B – Rs 36,000

The payments to partners A and B (who are working partners) have been made in accordance with the partnership deed. The firm satisfies the conditions of section 184. Partner A has income from other sources of Rs 40,000 while Partner B has short term capital gains of Rs.50,000 and long term capital gains of Rs 60,000.

44. Sahas Company Ltd. is a widely held domestic company. The following are the particulars of its income in respect of the previous year 2020-2021.

Income from business	–	1,09,80,000
Interest on Govt securities	–	20,000
Short term capital gain u/s 111A	–	30,000
Long term capital gains	–	66,000
Dividend from domestic company	–	20,000
Dividend from a foreign company	–	20,000
Book profit u/s 115JB	–	1,05,00,000

During the previous year the company donated by cheque Rs. 50,000 to National Defense Fund. Compute total income and tax payable by the company for the year 2020-2021.

(2 × 15 = 30 Marks)