

Roll No.

57051

**BBA 6th Sem. (Old) 2011-14
Examination – November, 2018**

CORPORATE TAXATION

Paper : Bba-601

Time : Three Hours] [Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : All question of Section – A are *compulsory*. Attempt any *four* questions from Section – B selecting at least *one* question from each Unit.

SECTION – A

1. Write short notes on :
 - (i) Marginal Relief.
 - (ii) Not Ordinarily Resident.
 - (iii) Taxable allowances.

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P. T. O.

- (iv) Fringe benefits.
- (v) Tax free government securities.
- (vi) Clubbing of income.
- (vii) Carry forward of losses.
- (viii) Deduction u/s 80D.

SECTION – B

UNIT – I

2. Define Income tax and mention its salient features.
3. Explain the concept of 'Exempted Income'. Discuss clearly the types of 'Exempted Income' under the Income Tax Act.

UNIT – II

4. Discuss the fully tax free allowances.
5. What is the basis of computation of income from House property ? How would you arrive at the net annual value of a house occupied by an assessee for his own residence ?

UNIT – III

6. Vinod sells the following assets on 10th January, 2014 :

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| | Goodwill of Business(Self-generated) | Equity Shares in R Ltd | Jewellery | Plot of land |
|---------------------|--------------------------------------|------------------------|------------|--------------|
| | Rs. | Rs. | Rs. | Rs. |
| Sales consideration | 6,00,000 | 7,50,000 | 25,00,000 | 25,00,000 |
| Cost of acquisition | 40,000 | 80,000 | 2,50,000 | Nil |
| Transfer expenses | 4,000 | -- | 25,000 | -- |
| Date of acquisition | 04.05.1989 | 04.03.1997 | 04.02.1992 | -- |

Based on the following indices, compute income from capital gains of Vinod for the assessment year 2014-15 taking into consideration the facts that the business was set-up in November, 1999 and that he purchased a plot of land for Rs. 8,00,000 and jewellery for Rs. 2,00,000 on 10th March, 2013.

7. Explain the deductions which are available to an assessee under section 57 while computing taxable income chargeable under the head 'income from other sources'.

UNIT - IV

8. RPL Ltd., a company registered in India, furnishes the following information for the year ending March 2016 :

| | |
|--|-----------|
| | Rs. |
| Business income (before deducting depreciation but after debiting the following) | 32,80,000 |
| Reserve for bad debts | 15,000 |
| Salary to Sales Manager | 10,000 |
| Perquisites to Sales Manager | 14,000 |
| Interest paid on public deposits | 20,000 |
| Dividend (gross) from a Private Limited Company registered in India engaged in the business of manufacturing cosmetics | 20,000 |
| Interest (gross) from Unit Trust of India | 80,000 |

On January 3, 2016, company purchases a computer for Rs. 2,60,000 (Depreciation rate : 60%) besides the company is also entitled for depreciation allowance of Rs. 36,000 on other assets.

Determine the net income of the company for the Assessment Year 2016-17.

9. What are the different kinds of incomes which are included in the total income but on which no income tax is payable ?