

### UNIT - III

6. Discuss briefly any 10 deductions to be made in computing the total income of an assessee.
7. Explain the provisions regarding set off and carry forward of losses while computing the total income.

### UNIT-IV

8. What are the various authorities envisaged in the Income Tax law and what are their functions ?
9. Write notes on :
  - (a) Voluntary Return of Income
  - (b) Belated Return of Income
  - (c) Revised Return of Income
  - (d) Defective Return of Income

Roll No. ....

**56077**

### **MBA 2 Year 4th Semester (N.S.) Examination- May, 2016**

#### **TAXATION LAWS AND PLANNING**

**Paper : MBA-409**

**Time : 3 hours**

**Max. 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 the examination.

**Note :** Section-A consists of 8 short-answer type questions, carrying 2 marks each, which are **compulsory**. Section-B comprises 8 questions (2 questions from each Unit). Attempt **4** questions in all, attempting at least **one** question from each Unit. All questions carry equal marks.

#### **SECTION - A**

1. Answer the following in brief :
  - (a) Define Previous Year.
  - (b) What do you mean by the term 'Salary' ?
  - (c) What is cost of Acquisition ?

- (d) Explain 'Bond washing transactions'.
- (e) What is the provision for carry forward of loss under the head 'House Property' ?
- (f) Define Tax evasion.
- (g) What is Taxable Income ?
- (h) Explain Tax deduction at source.

## SECTION - B

### UNIT - I

2. Enumerate any ten items of income which are totally exempt from tax.
3. A, an employee in a company in Bhopal (population exceeds 25 lakh) is drawing Rs. 8,000 p.m. as salary plus Dearness Allowance @ 20% of his salary. He is also getting city compensatory allowance of Rs. 4,000, Medical Allowance of Rs. 6,000, Bonus Rs. 16,000 and commission Rs. 4,000. He is provided with a rent free unfurnished house owned by the employer of the fair rental value of Rs. 24,000 per annum. He is provided free of charge a sweeper and a cook whose wages are Rs. 300 and Rs. 700 p.m., respectively and a Gardener whose wages are Rs. 250 p.m. He is also given free electricity for personal use for which the employer has paid Rs. 6,000 during the year to Electricity Supply Company. Compute his taxable salary.

56077-2100-(P-4)(Q-9)(16) (2)

## UNIT - II

4. What do you understand by the term 'Capital Gains' used in the Income Tax Act ? What are the rules regarding exemption of Capital Gains ?

5. Mr A furnishes the following particulars of his income. Compute his gross total income :

	(Rs)
(i) Dividend on equity shares	600
(ii) Dividend on preference shares (Gross)	3,200
(iii) Income from letting on hire of building and machinery under one composite lease	27,000
(iv) Interest on bank deposits	2,500
(v) Director's sitting fees received	1,200
(vi) Ground rent	600
(vii) Income from undisclosed sources	10,000
(viii) Winning from lotteries (Net) received	14,000

The following deduction are claimed by him :

(a) Collection charges of dividend	20
(b) Allowable depreciation on building and machinery	4,000
(c) Fire Insurance on building and machinery	100

56077-2100-(P-4)(Q-9)(16) (3)

[ Turn Over