

2020-21
Time - 3 hours
Full Marks – 80

*Answer **all groups** as per instructions.
Figures in the right hand margin indicate marks.
Candidates are required to answer
in their own words as far as practicable.*

Group-A

1. Answer all questions or fill in blanks as required. [1x12]
- a) The total of income under all the heads is called _____.
- b) Income Tax Act currently in force is _____.
- c) On the basis of residential status, a firm can be classified into _____
or _____.
- d) Salary received by Member of Parliament is taxable under the head
_____.
- e) Name two exempted allowances.
- f) Net annual value of one self occupied house property is always
_____.
- g) Write the maximum limit of deduction for interest on loan taken for
purchase of residential house.
- h) The rate of tax on LTCG is _____.
- i) Any payment exceeding ₹ _____ allowed up to 100%.
- j) Gift received from relative is fully _____.
- k) Unabsorbed depreciation can be carried forward and set-off for
_____ years.
- l) The maximum amount of deduction u/s 80D for preventive health
check up is _____.

Group-B

2. Answer any eight of the following questions within two or three sentences each. [2x8]

- a) Assessment year
- b) Income
- c) Person
- d) Allowances
- e) Perquisites
- f) Capital Assets
- g) Fair Rental Value
- h) Interest on security
- i) Speculation business
- j) Bonus share

GROUP-C

3. Write notes on any eight of the followings within 75 words: [3x8]

- a) Write three features of income.
- b) Maximum Marginal Rate of Tax.
- c) House Rent Allowance
- d) Deduction u/s 24 from Net annual value of house property.
- e) What is profession?
- f) What is depreciation?
- g) What is Indexed Cost of Acquisition?
- h) Name three Bonds which are exempted from tax.
- i) Explain deduction u/s 80D.
- j) Explain deduction u/s 80U.

GROUP- D

4. Answer any four questions within 500 words each. [7x4]

- a) Explain any two Capital Gain exempted u/s 54.

b) Write notes on within 250 words each:

I) Statutory provident fund

II) Vacancy allowance

c) How would you determine the residential status of a person?

d) From the particulars given below compute Gross Salary

₹

i) Salary 4,48,000p.a

ii) Bonous 20,000p.a

iii) Free gas, water, 1,20,000p.a

Bill paid by employer

iv) Furnished flat provided to the employee at Kanpur (population above 25 lakhs) for which actual rent paid by the employer ₹1,20,000.

v) The employee paid ₹4,000 p.m. as rent of the flat.

vi) Furniture at cost provided in the flat ₹1,00,000.

e) Mr. Basudev purchased a house in Udipi in 1996 for ₹1,50,000, He incurred the following expenses for the improvement of the house. Renovation expenses ₹1,25,000 and additions of two rooms ₹2,00,000 in the same year. The F.M.V. of the house on 1.4.2001 was ₹6,10,000. He sold the house in May 2019 for ₹22,00,000. He purchased another house property within two months for ₹3,00,000. Calculate taxable capital gain for the previous year 2019-20. Cost inflation index for 2001-02 was 100 and for 2019-20 is 289.

f) From the following particulars, compute business income for the year ended 31.3.2020.

₹

Net profit as per P/L A/c 2.75,000

(Before charging the following)

Capital expenditure on family planning 45,000

Entertainment expenditure	30,000
Purchase of patent right	84,000
Advertisement expenses	8,000
Provision for GST	45,000
GST paid on 27.6.20 ₹20,000 and ₹7,000 on 10.11.20. Due date of filing return is 31.7.2020	
Household expenses	20,000
Salaries paid	6,000
Income Tax paid	5,000

- g) MRV of the residential house ₹50,000 and actual rent is ₹5,000 p.m. During the previous year 2019-20, house was vacant for two months. The Municipal Taxes are @ 10% of MRV. During the year owner paid ₹30,000 as arrears of Municipal Taxes. Interest on loan taken for the construction of house paid is ₹16,000. Compute income from house property.
