

(58 & A-41) Seat No.: _____

No. of Printed Pages: 03

SARDAR PATEL UNIVERSITY
BBA (GENERAL) (SEMESTER - V) EXAMINATION

16th November, 2016 (Wednesday)

2:00 PM to 4:00 PM

UM05CBBA06 – BUSINESS TAXATION - I

Total Marks: 60

- Note:** (1) Figures in the right indicate marks
(2) Working Notes should be part of answer.

Q-1 [A] Discuss Residential Status of an Individual person in detail. (10)

[B] List out any 10 fully exempted incomes under Section 10 of Income Tax Act. (05)

OR

Q-1 Discuss following Definitions in detail: (15)
1. Previous Year
2. Assessee
3. Gross Total Income

Q-2 [A] Give Meaning of Assessment. Discuss types of assessment in detail (08)

[B] Short Note on: Tax Deducted at Sources (07)

OR

Q-2 Write in detail on following: (10)
1. Types of Income Tax Return & Time for filing the Income Tax Return
2. Permanent Account Number (05)

Q-3 [A] Ms. Shriya joined Decor company Ltd. on 1-1-2010 in the grade of Rs. 25,000 – 2,000 – 35,000 – 4,000 – 71,000 with one increment. Due to best service allowed him an additional increment on 1-1-2014. Calculate Basic Salary of Ms. Shriya for P.Y. 2015-16. (04)

[B] Ms. Vani provides following information for the previous year ending on 31st March, 2016: (06)

Basic Salary: Rs. 10,00,000

Dearness Allowance: Rs. 90,000 (Consider 70% for provident fund)

Fixed Bonus & Commission: Rs. 1,60,000

Fixed tiffin allowance: Rs. 23,000

Children education allowance for two children: Rs. Rs. 8,500

Ms. Vani has been provided with accommodation by employer. House is taken on rent by the employer at Rs. 2,70,000 per annum. She is charged Rs. 3000 pm as token rent for the said facility. Calculate taxable value of accommodation facility provided to her.

(1)

[C] Calculate taxable amount of perquisites for the following: (05)

1. Company paid Rs. 100 per lunch for 200 days on behalf of employee, of which Rs. 30 per lunch is recovered from employee.
2. Company paid Rs. 20,000 for personal purchase made by employee using credit card provided by company.
3. Provided with Laptop worth Rs. 67,000 for office as well as personal use.
4. Medical Expenses of employee's father reimbursed by the company Rs. 26,000.
5. Free education facility provided to two children in an institution maintained by the employer. Cost borne by the company for providing such education is Rs. 22,000.

OR

Q-3 Compute the salary income of Mr. Mukesh for the previous year relevant to A.Y. 2016-17 (15) from the following particulars.

1. Basic pay Rs. 30,000 p.m. up to 31st September, 2015 and thereafter Rs. 37,500 p.m.
2. Dearness allowance: 50% of Basic Salary (1/3rd is considered for retirement benefit)
3. City Compensatory Allowance: 15% of Basic Salary
4. Children Education Allowance: Rs. 8,000 (for 3 children)
5. Employee contributes to recognized provident fund @ 15% of salary and employer also contributes an equal amount.
6. Interest credited to R.P.F @12% Rs. 30,000.
7. The employer has provided him a residential accommodation in Anand whose fair rental value is Rs. 10,000 p.m. Furniture costing Rs. 2,00,000 is also provided by the employer.
8. Gas & Electricity charges paid by company Rs. 15,000. (2/3 for personal use)
9. Expenses paid by company on behalf of employee: LIC Premium Rs. 4,100 p.a. Club membership fees Rs. 3,400 p.a.
10. The employer has also given him a 1.8 liters cubic capacity motorcar for personal as well as office use. All its expenses including driver's salary are paid by the employer.
11. The employer gave him a loan of Rs. 1,00,000 at the annual interest rate of 8.25% for two wheeler on 1st January, 2016. SBI Lending rate is 18.25%.
12. Mr. Mukesh has paid Rs. 2,400 as professional tax.

Q-4 Ms. Navya Shah is the owner of three houses. On the basis of following information compute her taxable income under the head "Income from House Property" for assessment year 2016-17. (15)

Particulars	House 1	House 2	House 3
Municipal valuation (annual)	36,000	90,000	1,20,000
Fair Rent (annual)	40,000	84,000	-
Receivable Rent (annual)	36,000	72,000	-
Standard Rent (annual)	42,000	-	1,40,000
Municipal Taxes (paid)	2,000	4,000	4,000
Interest on loan for construction	10,000	-	35,000
Capitalized interest of pre-construction period (Total)	10,000	-	40,000
Vacancy Period	1 month	-	-
Unrealized Rent	4,000	-	-
Land Revenue	2,450	4,000	2,000
Construction completed on	31-01-2012	1-04-2015	31-03-2003
Use of House	Let out for residence	Let out for Business	For Self-residence

OR

- Q-4** Ms. Vaishavi owns a house (erection completed on 31-3-2011). The house has three independent units. Unit 1 (50% of house) is let out for residential purpose on monthly rent of Rs. 32,800. Unit 1 remains vacant for one month when it is not put to any use. A sum of Rs. 2,800 could not be collected from the tenant. Unit 2 (25% of house) is used by Ms. Vaishavi for her Profession, while Unit 3 (25% of house) is utilized for the purpose of her residence. Other details are as under: (15)

Particulars	Rs.
Municipal valuation	2,40,000
Fair rent	2,80,000
Standard rent	3,60,000
Municipal tax	60,000
Repairs	16,000
Interest on loan for repair	1,44,000
Ground rent	25,600
Annual charges created by his father	36,000
Fire insurance premium	60,000

Determine his taxable income from house property for A.Y. 2016-17.

— X —
(3)

