

SC

[A-41] Seat No. _____

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SARDAR PATEL UNIVERSITY
BBA [VIth Semester] Examination for 2010 Batch
Thursday, 5th May, 2016
2.30 p.m. to 4.30 p.m.
UM06CBBA04/169: Business Taxation

Total Marks: 60

Note: Figures to the right indicate full marks of the question.

Q.1 Write short note :- [15]

- (1) Agriculture income
- (2) Permanent Account Number

OR

- (1) List out any ten full exempted incomes [08]
- (2) Specify the rules for determination of residential students of an individual assessee [07]

Q.2 Mr. TAILOR furnished the following information about his income for the A.Y. 2015-16. [15]

- (1) Basic Salary - Rs. 40000 p.m.
 - (2) Dearness allowance - 30% of basic salary
 - (3) House rent allowance - Rs.3000 p.m.(paid rent Rs.4000 p.m.)
 - (4) Education allowance - For 3 children Rs.1000 p.m.
 - (5) Entertainment allowance - Rs.500 p.m.
 - (6) Medical allowance - Rs.600 p.m.
 - (7) Bonus - 10% of basic salary
 - (8) Employer & Employee cont. to RPF @ 15% of basic salary
 - (9) Employer provided 1000 cc motor car for the both purpose
 - (10) Employer paid domestic servant salary Rs.2500 p.m. on behalf of employee
 - (11) Employer deducted Rs.200 p.m. professional tax & Rs.4000 p.m. Income tax from the salary
- Calculate his taxable income from salary for the A.Y.2015-16

OR

Mr. DARJI provided following informations about his income for the AY 2015-16 [15]

- (1) Basic Salary - Rs. 35000 p.m.
- (2) Dearness allowance - Upto 30-9-14 Rs.10000 p.m. and than after Rs.12000 p.m.
- (3) House rent allowance - Rs.2000 p.m.
- (4) Sales commission - Rs.1,00,000 p.m.
- (5) Entertainment allowance - Rs.1000 p.m.
- (6) Transport allowance - Rs.2000 p.m.
- (7) Bonus - 5% of salary
- (8) Employer cont. to RPF @ 15% & Employee cont. to RPF @ 20% of salary
- (9) 10% Interest credited to RPF Rs.20000

- (10) Employer paid LIC premium Rs.5000, education fees of a two children Rs.10000 on behalf of employee.
- (11) Employer deducted Rs.200 p.m. professional tax from the salary
- Calculate his taxable income from salary for the AY 2015-16

Q.3 Mr. X is a owner of three house property. He furnished the following details about his house property for the AY 2015-16 [15]

	House No.1 Rs.	House No.2 Rs.	House No.3 Rs.
Municipal value	35000	40000	60000
Fair rent	45000	51000	70000
Actual rent per month	5000	6000	--
Municipal taxes	4000	5000	3000
Interest on loan	10000	15000	20000
Unrealised rent	2500	--	--
Vacancy period	1 month	2 months	--
Use of property	Let out	Let out	Self occupied

Calculate his taxable income from House Property for the AY 2015-16

OR

Mr. X furnished the following details about his house property for the AY 2015-16 [15]

	House No.1 Rs.	House No.2 Rs.	House No.3 Rs.
Municipal value	50000	60000	80000
Fair rent	60000	80000	1,00,000
Standard rent	54000	--	--
Actual rent per month	6500	--	--
Municipal taxes	10%	5%	5%
Land revenue	500	300	400
Insurance premium	1500	3000	4000
Vacancy period	1 month	--	--
Unrealised rent	3000	--	--
Interest on loan	15000	20000	22000
Use of property	Let out	Self occupied	Self occupied

Calculate his taxable income from House Property for the AY 2015-16

Q.4 Mr. KUMAR is a registered medical practitioner. He keeps his account books on cash basis. He furnished the following Receipts & Payment Account for the year ended on 31.3.15 [15]

Dr	Receipts	Amount Rs.	Cr	Payments	Amount Rs.
To	Opening balance	100000	By	Sundry exp.	160000
To	Consultation fees	300000	By	Hospital exp.	280000
To	Operation charges	500000	By	Staff salary	240000
To	Operation theater rent	50000	By	Insurance premium	30000
To	Sale of medicine	150000	By	Purchases of medicine	100000
To	Interest on investments	40000	By	Motorcar exp.	100000
To	House rent	60000	By	Personal exp.	70000
			By	Membership fees	10000
			By	Donation	30000
			By	Closing balance	180000
		1200000			1200000

Additional informations:

- (1) W.D.V of the motor car as on 1-4-14 was Rs.250000 Rate of depreciation is 20%
 - (2) 60% use of the motor car is for the personal purpose
 - (3) Purchase of surgical instruments Rs.60000 was included in a sundry exp.
 - (4) LIC premium Rs.25000 included in a insurance premium.
 - (5) Admissible depreciation on surgical instrument was Rs.10000
- Calculate his taxable income from profession for the AY 2015-16.

OR

Mr. RAKESH furnished the following profit & loss account for the AY 2015-16.

[15]

Profit & Loss Account

Dr	Receipts	Amount Rs.	Cr	Payments	Amount Rs.
To	Staff salary	180000	By	Gross profit	740000
To	Sundry exp.	170000	By	Discount	30000
To	Advertisement exp.	50000	By	Bad debts recovered	
To	Rent & taxes	80000		(40% disallowed as	
To	Audit fees	20000		bad debts in past)	60000
To	Income tax	40000	By	Income tax refund	20000
To	Bad debts	50000	By	Interest on deposit	50000
To	Bad debts reserve	20000	By	Commission	30000
To	Discount	10000	By	House rent	70000
To	Sales tax	20000			
To	Depreciation	50000			
To	Office exp.	100000			
	Net profit	210000			
		1000000			1000000

Additional informations:

- (1) Owner's salary Rs.50000 included in a staff salary
 - (2) Interest on capital Rs.30000 included in a sundry exp.
 - (3) Municipal taxes Rs.5000 paid for let out house. Which included in a rent & taxes.
 - (4) As per Income tax Act admissible depreciation was Rs.35000
 - (5) Advertisement exp. Rs.30000 paid by single barer cheque.
 - (6) Purchases of machine Rs.60000 included in a office exp.
- Calculate his taxable income from Business for the AY 2015-16.

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