

[A-6] Seat No: _____

No. of printed pages: 3

SARDAR PATEL UNIVERSITY
T.Y. B.Com. (External) Examination
Thursday, 20th August, 2020
11.00 am - 1.00 pm
TAX-301 : Taxation

Note : Figures to the right indicates Marks.

Total Marks : 70

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Q.1 (a) Discuss : Types of taxes and methods of assessing tax.... (08)

(b) Explain exempted incomes and general deductions from gross total income (u/s 80) , reliefs and rebate u/s – 88... (09)

OR

Q.1 (a) Narrate: Levy of tax and charge of income tax... (08)

(b) Explain: The Residential status of an assessee and incidence of income tax... (09)

Q.2 From the following information, calculate taxable income under the head "Salaries" of Shri. Hasmukhlal Joshi a General Manager of Mahdev Textile Ltd, Amdavad for the A.Y. 2020-21.

1. Basic salary: Rs. 35000 p.m.
2. Dearness allowance: 55% of basic pay.
3. Bonus: Two Month Salary.
4. Commission: Rs. 60000
5. House rent allowance: Rs. 25000 per month. (Rent paid by him at Ahmedabad Rs. 15000 per month)
6. Education allowance for him Rs. 2500 p.m.
7. He and his employer contribute 10% of basic salary in recognised provident fund.
8. His employer has also provided 1.4 litres cubic capacity Motor-car used for personal as well as office purposes. All expenses of Motor-car are paid by the employer.
9. Professional tax paid by Shri.Joshi : Rs. 2400. (18)

OR

(1)

Q.2 From the following information, calculate taxable income under the head "Salaries" of Shri. Chimanlal Goswami, Chief Executive Officer of Galaxy Media Ltd, Vadodara for the A.Y. 2020-21.

1. Basic salary: Rs. 800000
2. Dearness allowance: 25% of basic pay.
3. Bonus: 10 % of Basic Salary plus D.A.
4. Entertainment Allowance : Rs. 24000
5. Free education facility provided to two children by company. Cost to the company is Rs.50000 and recovery from his salary is Rs.12000.
6. Payment made by company for free supply of gas and water for personal use Rs.12000.
7. Interest credited to R.P.F. account at 12% Rs.260000.
8. Company has paid salary of cook and waterman at Rs. 18000 and 12000 respectively.
9. Professional tax paid by Shri.Goswami : Rs. 2400.

(18)

Q.3 Shri Nilesh Bhatt furnishes the following Profit and Loss Account for the year ended 31st March, 2020. ...

(17)

Particulars	Rs.	Particulars	Rs.
To Opening Stock	15000	By Sales	745000
To Purchases	275000	By Closing Stock	45000
To Building repairs (Let out)	3500	By Rent Received	35000
To Audit Fees	7500	By Bad Debt Recovery (Of which Rs.5000 was not allowed in previous year)	55000
To Rent Collection Charge	2500		
To General Expenses	4500		
To Bad Debt	14500		
To Bad Debt Reserve	7000		
To Interest on Capital	27000		
To Income Tax	35000		
To Depreciation (Approved)	7000		
To Reserves for future	6000		
To Staff Salaries	40000		

To Net Profit	435500		
	880000		880000

Calculate his taxable business income for the A.Y, 2020-21

OR.

Q.3 Smt. Sushilaben Shah owns a residential house property. It has two equal residential units - Unit 1 and Unit 2. While Unit 1 is self occupied by her for her residential purpose, Unit 2 is let out at Rs. 7000 per month, rent for 3 months could not be recovered. Municipal valuation of the house property is Rs. 120000, Standard rent is Rs. 115000 and fair rent is Rs. 110000. Municipal tax @ 10% is paid by the owner. Interest on capital borrowed during 1999 for constructing the property is RS.55000. Find out taxable income from house property of Smt. Sushilaben Shah for the A.Y.2020-21 .

(17)

Q.4 Shri.Manharbhai Yagnik has furnished the following particulars of his investments for the year ending 31st March,2020.

(18)

a..Rs.650000 9% Vadodara Municipal Bonds

b..Rs.1455000 7% Tax free securities of Govt. of India

c..Rs.235000 9% Mumbai Port Trust Bonds

d..Rs.575000 10% Tax free debenture of Indian Railways Corporation (TDS @ 20 %)

E..250000 8.5% Treasury Savings Deposit Certificate

f..Rs.75000 9 % Preference Share of Reliance Industries Ltd.

g..Rs.160000 8% Tax free debentures of a BHEL Ltd listed on recognized stock exchange in India (TDS at 10 %)

He took a loan for purchasing tax-free securities of Govt. of India and paid interest of Rs.145000. He also paid Rs.12000 interest on loan for purchasing debentures of Indian Railways Corporation . He paid Rs.845 bank commission for collection of interest and Rs.50 for collection of dividend.

Compute the taxable income for the A.Y. 2020-21 under the head income from other sources.

OR

Q-4 (a) Discuss the general procedure of central excise. (06)

(b) Explain : CENVAT (06)

(C) Narrate : Objects and salient features of the G.S.T. Act 1969 (06)

