

1926

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4. Attempt the following questions : (10+5)

(a) Enumerate five items of incomes which can be included under the head "Income from other sources".

(b) Explain tax treatment of pension.

5. "An assessee is not only liable in respect of his own incomes for tax purposes but his liability may extend to some other income also". Comment on this statement. (15)

6. Attempt the following : (8+7)

(a) Differentiate between Tax Planning and Tax Management.

(b) How to compute income on estimated basis in the case of tax payers engaged in the business of plying, leasing or hiring trucks as per section 44AE?

7. Attempt the following : (8+7)

(a) How would you treat unabsorbed depreciation while calculating total income?

(b) Explain the concept of Goods and Service Tax along with its types?

(800)

10/12/18 (E)

[This question paper contains 4 printed pages:]

Your Roll No.....

Sr. No. of Question Paper : 1926

Unique Paper Code : 61015903

Name of the Paper : Tax Planning (G.E.)

Name of the Course : Bachelor of Management Studies (BMS), 2018 (CBCS)

Semester : III

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt any **five** questions.
3. **All** questions carry equal marks.
4. Use of non-scientific calculator is allowed.

1. Attempt the following questions : (10+5)

(a) X is foreign citizen. He is not a person of Indian origin. He comes to India for the first time on April 23, 2013. During the financial years 2013-

P.T.O.

14, 2014-15, 2015-16, 2016-17 and 2017-18, he is in India for 140 days, 85 days, 18 days, 217 days and 60 days respectively. Determine the residential status of X for the assessment year 2018-19.

(b) What will be the tax treatment if income under the head "Income from house property" is negative?

2. Mrs. X (age: 51 years) is a part-time lecturer in a private college Delhi owned by A Ltd. During the year 2017-18, she gets monthly salary of Rs. 50,000 up to June 30, 2017 and Rs. 60,000 afterwards. Besides, she gets 30 per cent of basic salary as house rent allowance, Rs. 16,300 per month as dearness allowance (71 per cent of it forms part of salary for computation of all retirement benefits) and Rs. 5,000 per month as conveyance allowance which is entirely used for personal purposes. On July 10, 2017, the employer transfers a music system to Mrs. X on her completing 10 years of service (cost of music system purchased on September 1, 2016: Rs. 22,470) for Rs. 7,500.

She is member of the recognized provident fund to which both the employer and employee contribute @ 12 per cent of salary. Apart from the minimum contribution, she makes an additional contribution of Rs. 6,000 per month to the provident fund. During

the previous year 2017-18, Rs. 1,15,000 is paid to her for checking answer sheets of different universities. Determine the taxable income and tax liability of Mrs. X for the assessment year 2018-19 on the assumption that she pays rent of Rs. 14,000 per month. (15)

3. Mrs. X (age: 40 years, resident) has occupied two houses for her residential purposes, particulars of which are as follows :- (15)

Particulars	House I Rs.	House II Rs.
Municipal valuation (MV)	70,000	30,000
Fair rent (FR)	90,000	32,000
Standard rent under Rent Control Act (SR)	65,000	36,000
Municipal Taxes Paid	10 Per cent	10 Per cent
Fire Insurance	1000	450
Interest on capital borrowed for construction of house (Rs. 9,44,000 is borrowed @ 15 per cent per annum on April 10, 2016, construction is completed on March 10, 2017 and loan is yet to be repaid)	1,41,600	Nil

Income of Mrs. X from salary is Rs. 5,00,000. Determine the net taxable income and tax liability for the assessment year 2018-2019 on the assumption that she contributes Rs. 45,000 towards the public provident fund. Mrs. X could not occupy House II for two months starting from December 1, 2017.