

(38FA-7)

Seat No: \_\_\_\_\_

No. of Printed Pages: 02

(38A7)

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

7<sup>th</sup> November, 2017 (Tuesday)

10:00 AM to 12:00 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 in detail: Assessee (05)  
**[B]** Discuss Residential Status of an Individual person with exceptions in detail. (10)

**OR**

- Q-1 [A]** Discuss following Definitions in detail: (10)  
 1. Previous Year  
 2. Gross Total Income  
**[B]** List out any 10 fully exempted incomes under Section 10 of Income Tax Act. (05)

- Q-2 [A]** What is Assessment? Discuss types of assessment in detail (10)  
**[B]** Short Note on: Permanent Account Number (05)

**OR**

- Q-2** Write in detail on following: (15)  
 1. Tax Deducted at Sources  
 2. Advance payment of Tax  
 3. Time for filling return

- Q-3** Ms. Vani is the executive director of VIP Ltd. of Ahmadabad. He is submitted the following particulars of his income for previous year 2016-17. (15)
1. Basic Salary Rs. 65,000 p.m.
  2. Dearness Allowance 50% of Basic salary (Rs. 5,000 p.m. enters into retirement benefit).
  3. Education allowance for two children at Rs.300 p.m. per child.
  4. Project allowance Rs.1,500 p.m.
  5. Commission on sales 1% of turnover (Turnover achieved 10 lakh)
  6. Conveyance allowance Rs.60,000. The entire amount is spent on the official tours.
  7. House Rent Allowance Rs.5,500 p.m. (Actual rent paid Rs.12,500 p.m.).
  8. Employer's contribution to R.P.F. was Rs.1,70,000 and interest credited to her a/c at 12% rate was Rs.1,20,000.
  9. She was given a car of 18 HP engine capacities for official as well as personal use. The running and maintenance cost is borne by company.
  10. A Servant and a watchman had been provided by the company at her residence Rs.500 pm each.
  11. The company spent Rs.5,000 on her refresher course and paid her medical bills of Rs.18,000.
  12. From her salary Rs. 200 pm is deducted for professional tax.
- Compute taxable income from salaries for A.Y. 2017-18.

**OR**

Q-3

Calculate taxable amount of perquisites for the following:

(15)

1. Company gifted wrist watch of Rs. 9,000 as Diwali gift to the employee.
2. Company paid Rs. 20,000 for personal purchase made by employee using credit card provided by company.
3. Company paid Rs. 150 per lunch for 250 days on behalf of employee, of which Rs. 40 per lunch is recovered from employee.
4. Provided with mobile worth Rs. 35,000 for office as well as personal use.
5. Medical Expenses of employee's son reimbursed by the company Rs. 21,000.
6. Employee took interest free loan of Rs. 15,000 from employer for social requirement.
7. Employer transferred his motor on 01-10-16 for Rs. 1,10,000 to his employee. Motor was purchased on 1-10-14 for Rs. 2,50,000.
8. LIC premium Rs. 12,000 and Professional Tax Rs. 2,400 paid by employer.

Q-4 [A]

Mr. Kamal has started construction of his house "REG" on 1-07-2013 with the loan of Rs. 10,00,000 at 10% p.a. and construction was completed on 28-02-2015. The loan is yet to be repaid. Calculate deduction available for Interest on borrowed loan under the head Income from House Property for the A.Y. 2017-18.

(05)

[B]

Determine taxable value of following let out House properties from the following particulars of the P.Y. 2016-17 of Mr. Urvil Shah:

(10)

Particulars	House 1	House 2	House 3
Municipal Value	1,00,000	80,000	1,20,000
Annual fair rent	1,20,000	60,000	1,10,000
Standard rent	1,10,000	1,00,000	1,26,000
Annual / Actual Rent	1,00,000	1,00,000	1,26,000
Municipal taxes paid by Mr. Urvil	10,000	12,000	6,000
Municipal taxes paid by the tenant	6,000	4,000	2,000
Interest paid for loan taken for the Previous Year 2016-17	20,000	24,000	28,000

**OR**

Q-4

Ms. Diya has three houses, particulars of which are as follows:

(15)

Particulars	House I	House II	House III
Standard Rent	50,000	40,000	-
Municipal valuation	45,000	60,000	30,000
Fair rent	55,000	36,000	35,000
Municipal taxes paid	4,000	4,800	3,600
Rent receivable	66,000	Nil	Nil
Vacancy period	1 month	Nil	Nil
Repairs	Nil	Nil	1,200
Insurance premium	2,400	2,600	1,600
Ground Rent	3,600	14,000	2,400

Diya borrows Rs. 30,000 at 20% p.a. for construction of House III (Date of borrowing June 1, 2008, date of repayment of loan: June 10, 2017) Construction of the houses was completed in June 2014.

Calculate the income taxable under the head "Income from House Property" for the A.Y. 2017-18.

- x -