V Semester B.Com. Examination, Nov./Dec. 2017  
(2016-17 and Onwards) (CBCS) (F + R)  
COMMERCE  
5.3 : Income Tax – I  

Time : 3 Hours  
Max. Marks : 70  

Instruction: Answers should be written completely either in English or in Kannada.

SECTION – A

1. Answer any five sub-questions. Each question carries two marks. (5x2=10)
   a) Who is an assessee-in-default?
   b) Define assessment year.
   c) Mention any two exempted incomes u/s 10 of I. T. Act.
   d) What is revenue expenditure?
   e) What is meant by an allowance?
   f) Give the meaning of Gross Total Income.
   g) What do you mean by pre-construction period?

SECTION – B

Answer any three questions. Each question carries 6 marks. (3x6=18)

2. Mr. Veeresh retired on 31-03-2017 after serving in a company for 32 years and 10 months. He received Rs. 1,78,000 as gratuity. His average monthly salary in the immediately preceding 10 months was Rs. 28,000. Compute his taxable gratuity for the AY 2017-18 (Gratuity is not covered under Gratuity Act).

3. Mr. Peter, a foreign cricketer comes to India for 100 days every year since the financial year 2007-08. Find out his residential status for the AY 2017-18.

4. Distinguish between Capital Receipt and Revenue Receipt.

   
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal value</td>
<td>1,50,000</td>
</tr>
<tr>
<td>Fair rent</td>
<td>1,70,000</td>
</tr>
<tr>
<td>Standard rent</td>
<td>1,30,000</td>
</tr>
<tr>
<td>Actual rent p.m.</td>
<td>15,000</td>
</tr>
<tr>
<td>Unrealised rent</td>
<td>18,000</td>
</tr>
<tr>
<td>House Vacancy period</td>
<td>1 month</td>
</tr>
<tr>
<td>Municipal tax paid</td>
<td>15,000</td>
</tr>
</tbody>
</table>

P.T.O.
6. State whether the following are agricultural or non-agricultural income.
   a) Compensation received for acquisition of agricultural land for military purposes.
   b) Income from sale of forest trees of spontaneous growth.
   c) Income from interest on simple mortgage of land used for agricultural purposes.
   d) Income derived from land used as stone quarries.
   e) Rent from house property situated in a villages.
   f) Income from agricultural land situated in Africa.

   SECTION - C

   Answer any three questions. Each question carries fourteen marks. (3x14=42)

7. Mr. Pratham Sales Manager of XYZ Ltd., Mumbai has furnished the following details of his income for the year ended 31-03-2017. Compute his income from salary for the AY 2017-18.
   a) Basic salary Rs. 20,000 p.m.
   b) Dearness allowance Rs. 6,000 p.m. (forming part of salary).
   c) Bonus equal to 3 months basic salary.
   d) Entertainment allowance Rs. 2,500 p.m. (amount spent Rs. 12,000).
   e) Children hostel allowance for his three children Rs. 400 p.m. per child.
   f) Reimbursement of medical bills Rs. 22,000 for the treatment taken in a private nursing home.
   g) He is provided with rent free furnished accommodation owned by the company. Cost of furniture Rs. 1,00,000, FRV of the house is Rs. 7,500 P.M.
   h) Free telephone at his residence Rs. 3,500.
   i) Medical insurance premium of Mr. Pratham paid by the company Rs. 4,000 p.a.
   j) Employment tax paid by the company Rs. 1,000 p.a.
   k) Own contribution and company's contribution to RPF is 14% of salary. Interest credited to RPF at 14% Rs. 14,000.

8. Mr. Anand is the owner of three houses in Bangalore, the particulars of which are given below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>House 'A'</th>
<th>House 'B'</th>
<th>House 'C'</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal value</td>
<td>30,000</td>
<td>40,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Fair rent</td>
<td>36,000</td>
<td>30,000</td>
<td>24,000</td>
</tr>
<tr>
<td>Let out (per month)</td>
<td>4,000</td>
<td>3,000</td>
<td>5,000</td>
</tr>
</tbody>
</table>
Construction completed 1-4-2014 1-6-2014 31-3-2013
Repairs – 5,000 4,000
Municipal tax paid by owner 3,000 – –
Municipal tax paid by tenant – – 2,000
Municipal tax due – 4,000 –
Vacancy period – – 2 months

Anand took a loan of Rs. 3,00,000 at 8.5% p.a. for construction of House 'B', date of borrowing loan is 01-07-2011.
Compute taxable income from House property for the AY 2017-18.

9. The following particulars relates to the income of Mr. Ganesh for the PY 2016-17.

He is employed in a Cotton Textile Mill at Bangalore on a monthly salary of Rs. 25,000. He is also entitled to a commission at 1% on sales effected by him. The sales effected by him during the previous year amounted to Rs. 40,00,000. He received the following during the previous year:

a) Dearness pay Rs. 6,000 p.m.
b) Bonus at two months basic salary
c) Entertainment allowance Rs. 2,000 p.m.
d) House rent allowance Rs. 5,000 p.m.
e) Income tax of Mr. Ganesh paid by employer Rs. 10,000
f) Free telephone installed at his residence Rs. 6,000
g) He and his employer contribute 15% of his salary to his RPF and interest credited to RPF at 10% amounted to Rs. 30,000 during the year.
h) He paid Rs. 6,000 p.m. as rent of the house occupied by him.
Compute his income from salary for the AY 2017-18.

10. Mr. Shankar owns three houses in K.G.F. from the following particulars compute his taxable income from house property for the AY 2017-18.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>House – I</th>
<th>House – II</th>
<th>House – III</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal value</td>
<td>60,000</td>
<td>90,000</td>
<td>65,000</td>
</tr>
<tr>
<td>Fair rent</td>
<td>65,000</td>
<td>1,00,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Rent received</td>
<td>–</td>
<td>88,000</td>
<td>–</td>
</tr>
<tr>
<td>Municipal tax paid @ 10% of municipal value</td>
<td>1,000</td>
<td>8,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Repairs</td>
<td>1,000</td>
<td>8,000</td>
<td>6,000</td>
</tr>
</tbody>
</table>
11. Mr. Krishna furnishes the following particulars of his income earned during the previous year 2016-17.
   a) Profit from business in Chennai Rs. 50,000.
   b) Income from agriculture in Ceylon Rs. 1,90,000.
   c) Income from property in Mexico received there Rs. 2,00,000.
   d) Interest on Singapore development bonds Rs. 1,50,000 (1/3 received in India).
   e) Income from business in Kuwait controlled from Mumbai Rs. 85,000 (Rs. 35,000 was received in India).
   f) Dividend from domestic company Rs. 1,000.
   g) Profit on sale of building in Bangalore received in Nepal Rs. 50,000.
   h) Income from agriculture in Punjab Rs. 1,00,000.
   i) Profit on sale of plant at London Rs. 50,000 (50% is received in India).
   j) Rent from house property in Nepal received there Rs. 20,000.
   k) Profit from business in Mysore received in Mandya Rs. 25,000.
   l) Dividends from U.K. based company received in U.K. Rs. 27,000.

   Compute his Gross Total Income for the AY 2017-18, if he is

   a) Ordinary resident
   b) Not ordinary resident
   c) Non-resident.

1. ರಂಜನೆಯವರು "ಭಾರತ ಭಾರತ" ಎಂಬುದನು. ಎನ್ನುವ ಕ್ರಮವಾಗಿ ಒಂದು ವರ್ಣಿಯಿಲು.
   a) ಎಂದರೆ ಕುರಿತ ಇದು ಒಂದು ವರ್ಣಿಯಿಲು ?
   b) ‘ಭಾರತ ಭಾರತ’ ಎಂಬುದನು.
   c) ಎಂದರೆ ಕುರಿತ 10 ವರ್ಣಿಯಿಲು ರಂಜನೆಯವರು "ಭಾರತ ಭಾರತ" ಎಂಬುದನು ಒಂದು ವರ್ಣಿಯಿಲು ಅಕ್ರಮಿಸಲಾಗುತ್ತದೆ.
   d) ಮೂಲಕ ಮೂಲಕ ಇದು ಒಂದು ವರ್ಣಿಯಿಲು ?
   e) ಎಂದರೆ ಒಂದು ವರ್ಣಿಯಿಲು ?
   f) GTI ಒಂದು ವರ್ಣಿಯಿಲು ?
   g) ಎಂದರೆ "ಭಾರತ ಭಾರತ" ಎಂಬುದನು ಒಂದು ವರ್ಣಿಯಿಲು ಅಕ್ರಮಿಸಲಾಗುತ್ತದೆ ?
2. ಈ ವರ್ಷಕ್ಕೆ ಎರಡು ವರ್ಷಗಳು, 32 ವರ್ಷಕ್ಕೆ ಸೇರಿ 10 ವರ್ಷಕ್ಕೆ ಕಡಿಮೆ ಇಂದ 31-03-2017 ರವರೆಗಿಸುತ್ತಾನು. ಎಂದರೆ ದಿ. 1,78,000 ಕೊನೆ ಮೂಲಸಂಖ್ಯೆಯ ಬೀಳುವುದು. ಇದರ ಮೂಲಕ ಸೇರಿ 2007-08ರ ಮೂಲಸಂಖ್ಯೆ 100 ಮೂಲಸಂಖ್ಯೆಯ ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ 2007-08 ಇಂದ 2017-18 ರವರೆಗಿಸುತ್ತಾನು.

3. ಈ ವರ್ಷಾಂತಿಯಲ್ಲಿ ಇದರ ಮೂಲಸಂಖ್ಯೆ ಸೇರಿ 100 ಮೂಲಸಂಖ್ಯೆಯ ಹೆಚ್ಚು ವರ್ಷಗಳ ಹಕ್ಕನ್ನು ಮರದ ಮೂಲಸಂಖ್ಯೆ 2007-08 ರವರೆಗಿಸುತ್ತಾನು.

4. ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ (ಹೊರತು) ಪಡೆಯಲು ಆಧಾರವಾಗಿ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ ಮರದ ಮೂಲಸಂಖ್ಯೆ 2017-18 ರವರೆಗಿಸುತ್ತಾನು.

5. ಇದರ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ 2017-18ರಲ್ಲಿ ಮರದ ಮೂಲಸಂಖ್ಯೆಯ ಹೆಚ್ಚು ವರ್ಷಗಳ ಹೆಚ್ಚು ವರ್ಷಗುಣಿಸಿದ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ 2017-18 ರವರೆಗಿಸುತ್ತಾನು.

<table>
<thead>
<tr>
<th>ಹೆಸರು</th>
<th>ಸಂಖ್ಯೆ</th>
</tr>
</thead>
<tbody>
<tr>
<td>ಆರಂಭ ಮೂಲಸಂಖ್ಯೆ</td>
<td>1,50,000</td>
</tr>
<tr>
<td>ಮೂಲಸಂಖ್ಯೆ ಹೆಚ್ಚು</td>
<td>1,70,000</td>
</tr>
<tr>
<td>ಸೇರಿ ಮೂಲಸಂಖ್ಯೆ</td>
<td>1,30,000</td>
</tr>
<tr>
<td>ಮೂಲಸಂಖ್ಯೆ (ಹೊರತು)</td>
<td>15,000</td>
</tr>
<tr>
<td>ಮೂಲಸಂಖ್ಯೆ ಹೆಚ್ಚು</td>
<td>18,000</td>
</tr>
<tr>
<td>ಮೂಲಸಂಖ್ಯೆ ಹೆಚ್ಚು</td>
<td>1 ಹೆಚ್ಚು</td>
</tr>
<tr>
<td>ಮೂಲಸಂಖ್ಯೆ ಹೆಚ್ಚು (ಸೇರಿ)</td>
<td>15,000</td>
</tr>
</tbody>
</table>

6. ಈ ವರ್ಷಕ್ಕೆ ಆಧಾರಿತ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ ವಿನ್ಯಾಸಕ್ಕೆ ಸೇರಿ.
   a) ಮೂಲಸಂಖ್ಯೆಗಳ ನೆಡ್ಡಿಣಾರುಗಳು ಮೂಲಸಂಖ್ಯೆಗಳ ನೆಡ್ಡಿಣಾರುಗಳು ಹೆಚ್ಚು ವರ್ಷಗಳ ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
   b) ಮೂಲಸಂಖ್ಯೆಗಳ ನೆಡ್ಡಿಣಾರುಗಳು ಮೂಲಸಂಖ್ಯೆಗಳ ನೆಡ್ಡಿಣಾರುಗಳು ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
   c) ಮೂಲಸಂಖ್ಯೆಗಳ ನೆಡ್ಡಿಣಾರುಗಳು (ಹೊರತು) ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
   d) ಮೂಲಸಂಖ್ಯೆಗಳ ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
   e) ಮೂಲಸಂಖ್ಯೆಗಳ ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
   f) ಮೂಲಸಂಖ್ಯೆಗಳ ಹೆಚ್ಚು ವರ್ಷಗಳಲ್ಲಿ ಹೆಚ್ಚು.
7. 31-03-2017. XYZ

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>रानी नवंबर दा. 20,000 रु. अर्थरूप</td>
<td></td>
</tr>
<tr>
<td>b)</td>
<td>दौलत पूजा दा. 6,000 रु. अर्थरूप (सहयोगी नस्तरकिट)</td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td>नागरिक 3 अर्थरूप रानी धननंबर अनुसार</td>
<td></td>
</tr>
<tr>
<td>d)</td>
<td>वीयोजना पूजा दा. 2,500 रु. अर्थरूप (सहयोगी नस्तरकिट दा. 12,000).</td>
<td></td>
</tr>
<tr>
<td>e)</td>
<td>वीयोजना पूजा दा. 400 रु. अर्थरूप नस्तरकिट अनुसार, अवरुद्ध ब्याज रानी।</td>
<td></td>
</tr>
<tr>
<td>f)</td>
<td>नागरिक अनुरोधसंबंधी ग्राहकालीन नस्तरकिट अनुसार रानी कोट्स दा. 22,000.</td>
<td></td>
</tr>
<tr>
<td>g)</td>
<td>नागरिक त्रिभुजनंबर अर्थरूप रानी नस्तरकिट अनुसार दा. 1,00,000, अवरुद्ध ब्याज रानी नस्तरकिट अनुसार दा. 7,500.</td>
<td></td>
</tr>
<tr>
<td>h)</td>
<td>नागरिक नस्तरकिट, रानी दा. 3,500.</td>
<td></td>
</tr>
<tr>
<td>i)</td>
<td>नागरिक नस्तरकिट अर्थरूप रानी नस्तरकिट अनुसार दा. 4,000 रु. अर्थरूप</td>
<td></td>
</tr>
<tr>
<td>j)</td>
<td>नागरिक नस्तरकिट अर्थरूप रानी नस्तरकिट अनुसार दा. 1,000.</td>
<td></td>
</tr>
<tr>
<td>k)</td>
<td>दा. 14,000 रु. अर्थरूप RPF दा. 1,4 वर्ष RPF दा. 1,4,000 (दा. 14वर्ष).</td>
<td></td>
</tr>
</tbody>
</table>

8. नागरिक नस्तरकिट, रानी नस्तरकिट, अनुरोधक किंमतीय दर अनुसार:

<table>
<thead>
<tr>
<th>Description</th>
<th>अर्थ 'ए'</th>
<th>अर्थ 'ब'</th>
<th>अर्थ 'ग'</th>
</tr>
</thead>
<tbody>
<tr>
<td>रानी नवंबर दा</td>
<td>30,000</td>
<td>40,000</td>
<td>20,000</td>
</tr>
<tr>
<td>नागरिक नस्तरकिट नवंबर</td>
<td>36,000</td>
<td>30,000</td>
<td>24,000</td>
</tr>
<tr>
<td>नागरिक (सहयोगी नस्तरकिट)</td>
<td>4,000</td>
<td>3,000</td>
<td>5,000</td>
</tr>
<tr>
<td>नागरिक अनुरोधसंबंधी नस्तरकिट</td>
<td>1-4-2014</td>
<td>1-6-2014</td>
<td>31-3-2013</td>
</tr>
<tr>
<td>नागरिक त्रिभुजनंबर अर्थरूप रानी नस्तरकिट</td>
<td>3,000</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
9. ಅಗ್ರಾಧ್ಯಕ್ಷ ಮತ್ತು 2016-17 ಸಾಲದ ಮೂಲಕ ಬೇರೆ ಗುಣಿತ ವಸ್ತುಗಳಾದ ವಸ್ತುವಿನ ದುಡಿಗಳಿಗೆ ತಪ್ಪಂಗಿ ಸೇವೆ ಪಡೆಯಲು ಮೂಲಕ ಪಡೆದ ವಸ್ತುಗಳು ಕೆಲಸಲಾಗುವ ಭಾಗದಲ್ಲಿ ಪಡೆದ ವಸ್ತುಗಳಿಗೆ ಸರಣಿಯಾದ 50% ನೇತರದ ಸ್ಥಾನ ಉತ್ತಮವಾಗುತ್ತದೆ. ತಪ್ಪಂಗಿ ವಸ್ತುಗಳಿಗೆ ಮೂಲಕ ಪಡೆದ ವಸ್ತುಗಳ ನಂತರರು ಬೇರೆ ಮೂಲಕ ಪಡೆದ ವಸ್ತುಗಳಿಗೆ ಸರಣಿಯಾದ 50% ಸರಣಿಯಲ್ಲಿ ಉತ್ತಮವಾಗುತ್ತದೆ. ಇದು ಪಡೆದ ವಸ್ತುಗಳಿಗೆ ಸರಣಿಯಾದ 50% ಕಂಡುಬರುತ್ತದೆ.

a) 6,000
b) 3,000

c) 2,000
d) 5,000

e) 10,000
f) 6,000

g) 15,000
h) 30,000


<table>
<thead>
<tr>
<th>ಕ್ರಮಾಂಕ</th>
<th>ಸರಣಿ 'I'</th>
<th>ಸರಣಿ 'II'</th>
<th>ಸರಣಿ 'III'</th>
</tr>
</thead>
<tbody>
<tr>
<td>ಅಧಿಕಾರಿಯರು ಮತ್ತು ಮೂಲಕಗಳು</td>
<td>60,000</td>
<td>90,000</td>
<td>65,000</td>
</tr>
<tr>
<td>ಅಧಿಕಾರಿಯರು ಮತ್ತು ಮೂಲಕಗಳು</td>
<td>65,000</td>
<td>1,000,000</td>
<td>60,000</td>
</tr>
<tr>
<td>ಸರಣಿಯಲ್ಲಿ ಜಿಲ್ಲಾದಾರಿ</td>
<td>-</td>
<td>88,000</td>
<td>-</td>
</tr>
</tbody>
</table>
11. 2016-17 ರಂದು ಚರ್ಚೆಯು ಚರ್ಚಾ-ಸಮಾಧಾನು ಚರ್ಚೆಯನ್ನು ಆರಂಭಿಸಲಾಯಿತು.

a) ಸ್ವಾಮಿಯ ಜೀವನನ್ನು ಹೊರಡಿಸಿದಾಗ ದಿನ 50,000.

b) ಸ್ವಾಮಿಯ ವೈಜ್ಞಾನಿಕ ಸೇರಿಸಲಾಗಿದ ದಿನ 1,90,000.

c) ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ ಆರಂಭಿಸುವ ದಿನ 2,00,000.

d) ಚರ್ಚೆಯ ಚರ್ಚಾ-ಸಮಾಧಾನು ಚರ್ಚೆಯನ್ನು ಆರಂಭಿಸಿದ ದಿನ 1,50,000 (1/3 ದಿನ ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ).

e) ಸ್ವಾಮಿಯ ಪ್ರಕಾರ ಸೇರಿಸಲಾಗಿದ ದಿನ 20,000 ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ ಸಹಾಯವನ್ನು ನೇಮಿಸಬಹುದಾನೆ ದಿನ 85,000 (ದಿನ 35,000 ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ).

f) ವಿದ್ಯಾರ್ಥಿಗಳ ಸಹಾಯ ವಿದ್ಯಾರ್ಥಿಗಳ ದಿನ 1,000.

g) ಸ್ವಾಮಿಯ ಇತಿಹಾಸ ಆರಂಭಿಸಿದ ದಿನ 50,000.

h) ಸ್ವಾಮಿಯ ವೈಜ್ಞಾನಿಕ ಆರಂಭಿಸಿದ ದಿನ 1,00,000.

i) ಸ್ವಾಮಿಯ ವೈಜ್ಞಾನಿಕ ಆರಂಭಿಸಿದ ದಿನ 50,000 (50% ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ).

j) ಸ್ವಾಮಿಯ ವೈಜ್ಞಾನಿಕ ಆರಂಭಿಸಿದ ದಿನ 20,000 ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ.

k) ಸ್ವಾಮಿಯ ವೈಜ್ಞಾನಿಕ ಆರಂಭಿಸಿದ ದಿನ 25,000.

l) ಸ್ವಾಮಿಯ ಜೀವನ ಪ್ರಕಾರ ವಿದ್ಯಾರ್ಥಿಗಳ ದಿನ 27,000.

ಚರ್ಚೆಯು 2017-18 ರ ಜನರು GTI ಸಂಸ್ಥೆಗಳು ಆರಂಭಿಸಿದ ಹಾಗೂ:

a) ಜಿಲ್ಲೆ ಸದಸ್ಯರ ಸಮಾಧಾನು

b) ಜಿಲ್ಲೆ ಸದಸ್ಯರ ಸಮಾಧಾನು

c) ಸಂಸ್ಥೆಯ ಸಮಾಧಾನು
V Semester B.Com. Examination, November/December 2016
(2016 – 17 and Onwards) (CBCS) (Fresh)  
Commerce
5.3 : INCOME TAX – I

Time: 3 Hours  Max. Marks: 70

Instruction: Answers should be written completely either in English or in Kannada.

SECTION – A

1. Answer any five sub-questions. Each question carries two marks. (5x2 = 10)
   a) Define Assessment Year.
   b) Mention any two examples of exempted incomes.
   c) What is Standard Rent?
   d) Expand CBDT and PAN.
   e) Give the meaning of salary for the purpose of calculating exempted RPF contribution by employer.
   f) What do you mean by Agricultural Income?
   g) What is Capital expenditure?

SECTION – B

Answer any three questions. Each question carries six marks. (3x6 = 18)

2. Mr. Kumar is a non-government employee getting pension of Rs. 16,000 per month from a company. During the previous year 2015–16 he got his ¼rd pension commuted and received Rs. 9,84,000. Compute taxable pension for the Assessment Year 2016–17.
3. Mr. Ramesh is a citizen of America comes to India on 20-3-2015 for the first time and on 01-09-2015 he left India and went to Nepal on a business trip. Again he comes back to India on 26-02-2016. Determine his residential status for the Assessment Year 2016 – 17.

4. State whether the following are agricultural or non-agricultural Income.
   a) Income from agricultural land situated in Australia.
   b) Income derived from sale of seeds.
   c) Income from sale of forest trees of spontaneous growth.
   d) Lease rent received from land given to tenants for agricultural operations.
   e) Income derived from land used as stone quarries.
   f) Income from sale of plants from nursery.

5. Explain the Canons of Taxation.

6. From the following information compute Net Annual value of House Property for the A.Y. 2016 – 17

   Municipal value Rs. 1,00,000
   Fair Rental value Rs. 1,80,000
   Let out (per month) Rs. 16,000
   Standard Rent Rs. 1,20,000

   Unrealised rent for one month
   Municipal tax paid by owner of House Property Rs. 20,000
   Municipal tax paid by tenant Rs. 10,000
SECTION - C

Answer any three questions. Each question carries fourteen marks. (3x14 = 42)

7. Mrs. Smitha is working as Sales Executive in Maruthi Suzaki Ltd. Kolkata and her salary details are as follows for the previous year 2015 - 16:

   a) Basic salary Rs. 21,000 per month
   b) Bonus equal to two months basic salary
   c) Commission 3% on sales (During the year she reached sales target of Rs. 5,00,000)
   d) Dearness allowance Rs. 7,000 per month. (Eligible for Retirement benefits)
   e) Medical allowance Rs. 1,400 per month. (Medical expenses Rs. 15,000 p.a.)
   f) Children Hostel Allowance for her two children @ Rs. 500 per month per child.
   g) Children Education Allowance for her two children @ Rs. 400 per month per child.
   h) RPF contribution by the company Rs. 6,000 per month.
   i) RPF contribution by employee Rs. 5,000 per month.
   j) Interest credited on RPF @ 11% Rs. 44,000.
   k) She has been provided with company's owned rent free furnished house in Mumbai and cost of furniture provided Rs. 60,000.
   l) Mrs. Smitha paid her professional tax Rs. 2,400 p.a.

8. Mr. Akshay furnishes the following particulars of his income for the previous year 2015–16. Determine his taxable income for the A.Y. 2016–17. If his residential status is

a) Ordinary resident

b) Not ordinary resident

c) Non-resident.

i) Income from business in Hubli Rs. 1,00,000

ii) Profit from business in UK controlled from India Rs. 60,000

iii) Income from House Property in Japan received there Rs. 50,000

iv) Income from business in India received in Pakistan Rs. 30,000

v) Salary received in India for service rendered in USA Rs. 70,000

vi) Interest on deposits with SBI in Mysore Rs. 20,000

vii) Profit from business in Singapore controlled from India (\(\frac{1}{2}\) rd received in India) Rs. 30,000

viii) Past untaxed foreign income brought into India Rs. 8,000

ix) Dividend received from a domestic company Rs. 5,000

x) Agricultural income earned in Nepal Rs. 25,000

xi) Commission received in India for service given in Japan Rs. 10,000

xii) Income from profession in India but received in France Rs. 10,000
9. Mr. Shankar is the owner of three house Properties in Bangalore and let-out all the houses throughout the year.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>House – A (Rs.)</th>
<th>House – B (Rs.)</th>
<th>House – C (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Rent</td>
<td>1,80,000</td>
<td>1,50,000</td>
<td>1,20,000</td>
</tr>
<tr>
<td>Municipal valuation</td>
<td>1,50,000</td>
<td>2,00,000</td>
<td>1,00,000</td>
</tr>
<tr>
<td>Let out (per month)</td>
<td>20,000</td>
<td>15,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Use by tenant</td>
<td>Residential</td>
<td>Office</td>
<td>Residential</td>
</tr>
<tr>
<td>Repair charges</td>
<td>10,000</td>
<td>40,000</td>
<td>-</td>
</tr>
<tr>
<td>Collection charges</td>
<td>20,000</td>
<td>5,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Interest on loan:
- a) For construction 1,00,000
- b) For Marriage of daughter 60,000
- c) For repairs 10,000

Municipal tax is 10% of Municipal valuation. Municipal tax of House – A was paid by owner but Municipal tax of House – B was not paid upto 31st March 2016 and Municipal tax of House – C was paid by tenant. The House – C was remained vacant for 2 months.

Compute Income from House Property for the A. Y. 2016 – 17 by making assumption housing loan inrespect of House A and C was taken after 1-4-1999.
10. Mr. Yadav is an employee of State Bank of India Bangalore and he submits the following information relevant for the A.Y. 2016-17. Compute his taxable income from salary:

a) Basic salary Rs. 8,000 per month.

b) Dearness allowance Rs. 1,500 per month (does not form part of salary).

c) City compensatory allowance Rs. 300 p.m.

d) Bonus Rs. 10,000 per annum.

e) Conveyance allowance Rs. 2,000 p.m. (60% spent for office duties).

f) House Rent allowance Rs. 5,000 p.m.

(Rent paid by employee Rs. 7,000 p.m.)

g) Payment of LIC Premium by SBI Rs. 4,000 p.a.

h) Services of sweeper paid by SBI Rs. 200 per month.

i) Leave Travel Concession Rs. 5,000 (First time in current Block period).

j) Reimbursement of gas, electricity and water bill by the SBI Rs. 2,500 per annum.

k) RPF contribution by the bank and own contribution of employee 14% of salary.

l) Interest credited to RPF at 14% Rs. 14,000.

m) Professional tax paid by Yadav Rs. 5,000.
11. Mr. Suryakantha has three houses in Mandya and particulars of which are relating to previous year as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>House – I (Rs.)</th>
<th>House – II (Rs.)</th>
<th>House – III (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of House</td>
<td>Let out</td>
<td>Let out</td>
<td>S.O.P.</td>
</tr>
<tr>
<td>Standard Rent</td>
<td>1,50,000</td>
<td>2,00,000</td>
<td>—</td>
</tr>
<tr>
<td>Municipal value</td>
<td>1,00,000</td>
<td>3,00,000</td>
<td>3,00,000</td>
</tr>
<tr>
<td>Fair rental value</td>
<td>1,80,000</td>
<td>1,80,000</td>
<td>3,50,000</td>
</tr>
<tr>
<td>Actual rent per month</td>
<td>15,000</td>
<td>20,000</td>
<td>—</td>
</tr>
<tr>
<td>Municipal tax paid</td>
<td>10% of M.V.</td>
<td>10% of M.V.</td>
<td>10% of M.V.</td>
</tr>
<tr>
<td>Repair charges</td>
<td>—</td>
<td>—</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Suryakantha borrows Rs. 3,00,000 at 20% per annum from the bank for construction of House – III. (date of borrowing 01-06-2008, date of repayment of loan 10-5-2016) Construction of all houses is completed in May 2013.

Determine the taxable income from house property for the assessment year 2016 – 17.

1. **(5x2 =10)**
   a) What is the ADC rate? 
   b) How much tax is payable on income from house property? 
   c) What is the requirement of report?