

SybaF sem -4th
Direct Taxation

Ques 1-A) Multiple choice questions (any 8/10) (8marks)

1-Income derived by minor from _____ will not be clubbed.

- a- manual work
- b- application of his talent
- c- capital gains
- d- both a & b

2- _____ aims to prevent tax avoidance by diversion of income.

- a - double taxation
- b - DTAA
- c - Clubbing of income
- d - both b & c

3-As per section 71A, this rule does not apply to _____.

- a. Speculation loss
- b. capital loss
- c. both a & b
- d. None of the above

4-Deduction under Sec 80C can be claimed for term deposits (fixed deposit) made in the scheduled bank, if minimum period of deposit is _____ years

- a. 5
- b. 6
- c. 10
- d. 15

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6- _____ is the acknowledgement of filing the return of income.

- (a) ITR - 4
- (b) ITR - V
- (c) Form 26AS
- (d) Form 26QB

7-Person who _____ payment is responsible to deduct tax at source and deposit the same to government treasury.

- a. makes
- b. receives
- c. transfers
- d. both a & c

8-On or before 15th December a company has to pay total advance tax instalment of not less than _____.

- a. 30% of tax liability.
- b. 60% of tax liability.
- c. 75% of tax liability.
- d. 100% of tax liability

9-In respect of shortfall in payment of _____ interest is required to be calculated u/s 234C

- a. advance tax
- b. instalment of advance tax
- c. self assessment tax
- d. regular assessment tax

10-For calculating interest u/s 234A/234B/234C, all calculations are rounded off to nearest

- a. B 10
- b. B 1000
- c. B 50
- d. B 100

B) True/false (any 7/10)

(7marks)

1-Interest u/s 234B is not applicable if advance tax that has been paid is less than 90% of the assessed tax.

2-The assessee shall be liable to pay simple interest @1% for every month or part of the month.

3-There are 4 due dates for payment of advance tax in case of assesses other than companies

4-The person responsible for deducting TDS is the person who pays the amount

5-TDS is not deducted if commission paid is rs20000

6-The return of income can be filed with the Income-tax Department in electronic mode only

7-A partnership firm required to get its books of account audited shall file the return of income electronically with or without digital signature

8-Change in constitution u/s 184 includes change due to admission/ retirement or death of a partner

9-If the profits earned by the partnership firm is Rs. 1,40,000; the maximum amount of deduction u/s 40b deductible from the profit for the AY 2022-2023 is Rs. 1,50,000.

10-If total taxable income of an individual (age 25 years) is Rs. 3,40,000 for the AY 2022-2023; his Net tax liability after considering rebate is NIL.

Ques 2-A) A proprietary business was started by Nikita in the year 2020. As on 1.4.2020 her capital in business was B 3,00,000. (15marks)

Her husband gifted B 2,00,000 on 10.4.2020, which amount Nikita invested in her business on the same date. Nikita earned profits from her proprietary business for the FY 2020-21, B 1,50,000 and FY 2021-22 B 3,90,000. Compute the income, to be clubbed in the hands of Nikita's husband for AY 2022-23 with reasons.

OR

Ques. 2 B) Mr. Daniyal furnishes the following information for the year ending of 31-3-2023 (15marks)

Income from business:

Loss from trading in securities in the nature of derivatives

(Not a speculative business)

(50000)

Profit from non- speculative business

150000

Capital gains:

Long term capital loss on sale of unlisted shares

(25000)

Short term capital loss on sale of shares

(90000)

Short term capital gain on sale of jewellery

75000

From the above information compute the gross total income of Mr. Daniyal and the loss to be carried forward. Note should be part of your answer.

Ques-3.A)Mr Anmol karta of HUF gives you the following information for the (15 marks)
previous year ended 22-23

Particulars	Rs.	Particulars	Rs.
To Office expenses	1,20,000	By Gross Profit	450000
To Staff salary	26,000	By Rent received	65000
To Embezzlement of cash	31000		
To Repairs of House property	18000		
To Advertising	3000		
To Printing & stationery	1600		
To Charges to collect rent	1300		
To Mediclaim insurance premium	21000		
To Municipal taxes of house property	12000		
To Sales tax	4600		
To Interest paid for housing loan	5000		
To Reserve for bad debts	12000		
To Net profit	259500		
	515000		515000

Additional information:

1. Salary includes salary paid to Anmol's daughter and is reasonable as per her qualification.
2. Mediclaim insurance premium is paid by cheque.
3. Mr.Anmol, Karta of HUF is suffering from disability (to the extent of 50%).

OR

Q.3 B)Income & expenditure a/c of Kirti & Co., Chartered accountants' firm for the year ended 31.3.2021 is as follows: (15 marks)

Particulars	Rs.	Particulars	Rs.
To Office expenses	59,10,000	By Audit fees	25,00,000
To Interest to partners	57,000	By Receipts from clients	35,00,000
To Depreciation	2,95,000	By Dividend from Reliance ltd.	2,10,000
To Partners salary	2,08,000	By Net loss	2,60,000
	64,70,000		64,70,000

Additional information:

1. Office expenses of Rs. 40,000 is not allowed u/s 36.
 2. Depreciation allowed as per income tax u/s 32 is Rs. 45,000.
 3. Interest paid to partners is allowed as per partnership deed.
 4. Conditions u/s 40(b) and section 184 are satisfied by the firm.
- Compute the total income of Kirti & co.

Ques-4.A) . Mr Jayesh suggests that his estimated taxable income for the current year will be Rs 10,00,000. Based on the assumption that no income deductions were claimed, the taxes to be paid. will be Rs 1,12,500.

As per the rule, calculate the instalments of advance tax and due date of advance tax. (8Marks)

Ques. 4B).In case of Anshika, you are furnished the following details from which you are expected to calculate interest u/s 234 A, 234B & 234C.

Tax on total income Rs 10000, Due date of filing returns -31/7/22.

Date of filing return 1-8-2022. Tax and interest thereon fully paid on 31-7-22. (7 Marks)

OR

Ques 4 C) Mr Lal is an advocate. Gross receipts for the year 2022-23 came to Rs 15,50,000. He opts for the presumptive taxation scheme of section 44DA. What will be the due date for filing return of income by Mr Lal for the financial year 2022-23? (7 marks)

b) Compute the amount of tax to be deducted at sources in the following cases: B Ltd takes a building on rent and sublets it is R ltd .R ltd pays Rs 8,00,000 as rent.

a- M ltd takes a building on rent from S ltd (rent being Rs 21,000 p.m.)

b- Jio ltd takes a commercial building on rent (rent being Rs 5,00,000). Rent is payable in December to three co-owners as follows:

X-Rs 180000

Y-Rs 250000

Z- Rs 70000.

(8 marks)

Ques-5.-A)a) Explain Tax Avoidance

(7 marks)

b) Explain the provision regarding Double taxation Avoidance Agreement. (8 marks)

OR

B)Write short notes on(Any 3/5)

15 Marks

1) Interest u/s234B

2) Due date of Advance tax u/s 211

3) Section 194J TDS on professional fees

4) Loss Return

5) Carry forwards and set off of losses from house property U/S 71B.