

B.B.A. Part-II Examination**DIRECT TAX LAWS**

Time : Three Hours]

[Maximum Marks : 80

Note :—(1) ALL questions are compulsory.

(2) All questions carry equal marks.

1. (a) Explain the minimum of previous year and assessment year. 4
- (b) Define person. 4
- (c) X, an employee of the Central Government, gets Rs. 30,000 p.m. as basic salary and is entitled to Rs. 1,500 p.m. as entertainment allowance. Compute the deduction under sec. (16) (ii) from gross salary in respect of entertainment allowance. 4
- (d) John came to India from America for the first time on 10-10-2017. He returns to his home country after staying in India upto 5-7-2018. Will he be resident in India for the assessment year 2018-19 ? 4

OR

- (e) Ravi joined the service on 1-6-1999. He retired from his service on 17-11-2017 and received Rs. 11,20,000 as gratuity. At the time of retirement his basic salary was Rs. 70,000 p.m. and dearness allowance Rs. 35,000 p.m.

(60% of which was part of salary).

Compute the amount of gratuity exempt from tax and the amount to be included in Gross Salary. He is covered under the Payment of Gratuity Act. 4

- (f) Enumerate four incomes exempt from tax. 4
- (g) Elaborate provisions related to taxability of House Rent Allowance. 4
- (h) Discuss the provisions related to taxability of Pension. 4
2. (a) Rohit has 2 house properties situated in Delhi. Property 'A' is self occupied for first 6 months i.e. from 1-4-2017 to 30-9-2017 and w.e.f. 1-10-18, it is let out for Rs. 10,000 p.m. Property 'B' is let out w.e.f. 1-4-2017 at rent of Rs. 12,000 p.m. and w.e.f. 1-10-2017, it was self occupied as Rohit shifted his residence from Property 'A' to Property 'B'.

The other details of the above two house properties are as under :

	Property A (Rs.)	Property B (Rs.)	
Municipal tax paid	30,000	24,000	
Insurance premium paid	3,000	4,000	
Interest on money borrowed for purchase of house property	35,000	40,000	16

OR

- (b) What is Capital Asset ? Explain the types of Capital Assets and how capital gain is computed.

16

3. (a) Discuss the provisions regarding set off and carry forward of losses relating to short term and long-term capital assets. 4
- (b) Elaborate the provisions related to deduction u/sec. 80C. 4
- (c) Discuss the provisions related to deduction u/sec. 80E 4
- (d) Discuss the provisions related to deduction u/sec. 80C. 4

OR

- (e) GTI of Mr. Amarnath is Rs. 7,05,200. During the previous year he paid Rs. 27,000 by cheque as premium on the insurance of his health. Compute Total Income of Amarnath. 4
- (f) Discuss the provisions related to set off and carry forward and set off of gambling loss. 4
- (g) Discuss the provisions related to deduction u/sec. 80D. 4
- (h) Discuss the provisions related to deduction u/sec. 80 GG 4
4. (a) Dr. S.K. Sharma is a lecturer in Delhi University, Delhi. Following are the details of his income for the previous year 2017-18.

	Amt.
Basic Salary p.m.	1.68,000
D.A.	@ 100% of B.S.
Transport Allowance	Rs. 45,000
HRA	72,000
Remuneration as an examiner	4,000

Dr. Sharma is a member of SPF to which he contributes 8% of his salary, the university also contributes equal amount. During the P.Y. he spent Rs. 2,000 on books purchased for teaching purpose. He lives in a rented House, the rent payable being Rs. 7,000 p.m.

He paid medical insurance premium of Rs. 20,000/- through cheque. Compute his Total Income. 16

OR

- (b) How is the total income of a firm computed ? 16
5. (a) How is Net Wealth computed ? 4
- (b) Who are the persons liable to pay Wealth Tax ? 4
- (c) Discuss the provisions related to deemed assets in respect to minor wealth. 4
- (d) Elaborate the provisions related to assets with special reference of house property. 4

OR

- (e) What will be the tax implications related to Urban land held as stock-in-trade. 4
- (f) Anand was gifted a gold chain by his grandfather, worth Rs. 50,000. Net Wealth of his father is Rs. 3,50,00,000 and his mother's is Rs. 5 crore. As Anand is minor, in whose Wealth will the value of chain be added ? 4
- (g) Elaborate two assets exempt from tax. 4
- (h) Discuss the tax implications related to transfer of asset without consideration. 4