

**B.Com. IV Semester (CBCS) Degree Examination, May/June - 2019**

**COMMERCE (TPP)**

**Income Tax - III**

**Paper-4.5**

Time : 3 Hours

Maximum Marks : 70

**SECTION - A**

Answer any FIVE questions :

(5×2=10)

1. Who can be a partner of a firm?
2. What is unlimited liability of partnership?
3. What is Indian company?
4. What is Tax credit?
5. What do you mean by Tax deducted at source?
6. What is Return of Income?
7. What do you mean by Appeals?

**SECTION - B**

Answer any THREE questions :

(3×5=15)

8. Explain and illustrate the term 'Book Profit' in relation to the firms.
9. The book profit of a company in the p.y. 2017-18 computed in accordance with sec. 115JB of the income tax Act is Rs. 12,00,000. Its total income under the income tax Act for the same period is computed at Rs. 3,50,000. Is the company liable to pay 'MAT'? If yes how much has to be paid?
10. Ascertain amount of tax deducted at source from the following details during the financial year 2018-19:
  - i) Interest on securities payable to Mr x Rs. 12,000.
  - ii) Interest on debentures of a company Rs. 18000.
  - iii) Winnings from lotteries payable to smt. Kavitha Rs. 50,000 (gross)
  - iv) Dividends from Indian company payable to Ram Rs. 10,000.
  - v) Long term capital gains earned by Mr. x Rs. 40,000.

**[P.T.O]**



11. Mr. Bansilal is liable to pay advance income tax Rs. 50,000 for his estimated total income for the Financial year 2017-18. He has deposited advance tax on various dates under.

i) on 15.06.2017	Rs. 7,500
ii) on 15.09.2017	Rs. 10,000
iii) on 15.12.2017	Rs. 16,000
iv) on 15.3.2018	Rs. 16,500

Compute amount of interest payable u/s 234C.

12. What is voluntary filing of return? Who can file voluntary filing of return?

### SECTION - C

Answer any **THREE** questions :

(3×15=45)

13. Mr. chandra has furnished the following details with regard to his salary income for the year ended 31-3-2018.

- Salary at Rs. 6000 p.m.
- Bonus at six months salary.
- Travelling allowance for private tour Rs. 300 p.m.
- Entertainment allowance Rs. 250 per month.
- Commission equal to four months pay.
- He is provided rent free accommodation in a city having population 15 lakhs.
- Employer's contribution to Recognized provident fund Rs. 1000 p.m.
- Electricity and water charges Rs. 1600 per annum paid by employer
- Donation to National children fund Rs. 8,000. His annual contribution to PF Rs. 76,000.

Compute his income from salary liable to deduction of tax at source and the amount of tax to be deducted.

14. Shrimati has estimated the following incomes for the financial year 2018-19.

Income from business	Rs. 12,00,000
Long term capital gains	25,000
Interest gross from a Bank	26,000
Dividend	3,000
	12,54,000

- i) She will pay life insurance premium on her own life Rs. 25,000
- ii) Paid to PM's Relief fund 25,000
- iii) Health insurance paid in cash 2,000

Determine the amount of advance tax payable as advance tax.

15. X Co. Ltd. has provided the following information for the year ended 31-3-2018.

- 1) Total income computed as per provisions of the Income tax Act Rs. 20,00,000.
- 2) Profit as per statement of profit & Loss Rs. 50,00,000.
- 3) A) Items deducted in statement of P/L :
  - a) Provisions for Income tax Rs. 6,50,000
  - b) Dividend distribution tax 40,000
  - c) Provision for deferred tax 60,000
  - d) Securities transaction tax 1,00,000
  - e) Provision for gratuity on actuarial valuation 1,50,000
  - f) Dividend declared 2,50,000
  - g) Expenditure to earn Agricultural Income 1,00,000
  - h) Depreciation 4,50,000
- B) Items added in statement of P&L :
  - a) Transfer from special reserve 2,00,000
  - b) Agricultural income 4,00,000
- 4) Brought forward business loss as per books of accounts 8,00,000
- 5) Brought forward depreciation as per books of accounts 7,00,000

You are required to compute :

- a) Tax payable by the company.
- b) Tax credit to be carried, if any.



16. X, Y and Z are equal partners in a firm. The firms profit and loss account for the year ended 31-3-2018 is given below :

Salary to staff	20,000	Gross profit	1,15,000
Salary to partners :		Rent from house	
x    20,000		Property let out	12,000
y    30,000	50,000	Interest on Bank	
Commission to :		Deposits	6,000
x    5000		Discount	2,000
y    6000			
z    7000	18000		
Interest on capital			
at 20%			
x    5000			
y    3000			
z    2000	10000		
Rent to z	9000		
Donation to approved			
Charitable institution.	2000		
General exp	6000		
Municipal taxes	2000		
Net Profit	18000		
	<b>1,35,000</b>		<b>1,35,000</b>

**Other information :**

- 1) Municipal taxes pertain to house property let out.
- 2) General expenses include Rs. 3000 towards furniture purchased.
- 3) Depreciation allowable amounted to Rs. 2000.
- 4) Mr. Z non working partner

Compute the total income of the firm for the A.Y. 2018-19.

17. What is permanent account Number? State the persons who are required to retain PAN. And state transactions where quoting PAN is compulsory.