**M.E.S. COLLEGE OF ARTS & COMMERCE, ZUARINAGAR - GOA**

**B.Com. (CBCS) Semester V End (Regular & Repeat) Examination, February 2022**

**DSC- I Accounting Major- I Income Tax and Goods & Service Tax (UCOD101)**

***Instructions:*** *1. Question No.1 is compulsory.*

1. *Answer any three questions from Q.no.2 to Q.no.6.*
2. *Figures to the right indicate marks.*
3. *Use of simple calculators are allowed.*

**Duration: 2 Hours Max. Marks: 80**

**Q.No.1)** Answer the following **(4 x 5= 20)**

**a)** Shri. Sudhir, a resident in India, who is 65 years of age, provides the following particulars of his income for the PY 2020-21:

Taxable Income for the year (after deductions under chapter VI A) Rs. 12,80,000 Advance tax paid during the year (including TDS) Rs. 84,860 Compute the amount of Tax Payable by him under old and new tax regime and advise which tax regime to be adopted for the AY 2021-22.

**b)** Shri. Narayan received the following gifts during the PY 2020-21

i. Gift of Rs.28,000 from his friends on the occasion of his marriage anniversary.

ii. Gift of Rs.3,50,000 under a will of his mother-in-law.

iii. Gift of an immovable property from his boss Rs.3,50,000 (SDV Rs.5,00,000).

iv. Gift of Bullion from his colleagues Rs.85,000 (FMV Rs.50,000)

v. A work of art from a notified public charitable institution (FMV Rs.40,000)

Calculate the amount of gifts chargeable to tax for the AY 2021-22.

**c)** Shri. Surya, who is a resident of India, makes the following investments/contributions during the financial year 2020-21:

i) Life insurance premium on his own life (sum assured: Rs.80,000) (policy taken in July, 2015) Rs.9,000.

ii) Contribution toward public provident fund Rs.62,000, in his own account.

iii) Repayment of loan taken from State Bank of India for purchase of residential house: Principal Rs.27,000, Interest Rs1,60,000

iv) School tuition fees of two children (Rs.14,000 + Rs.26,000) Rs.40,000.

v) Contribution towards employees' provident fund Rs.50,000.

Determine the amount of deduction u/s 80C for the AY 2021-22.

**d)** Shri. Kunal a registered dealer from Margao, had purchased goods on 10th Aug 2021 product Z from Sai Traders, Ponda for an amount of Rs.2,10,000. On 25th August 2021 he sells product Z for an amount of Rs.2,42,000 to Shri.Govind of Mapusa Goa. The rate of GST is 18% and the purchase and supply value are excluding GST. Compute the net tax liability of Shri.Kunal for the month of August 2021.

**Q.No.2)** Shri.Tanmay is a salaried employee, whose income for the year ended 31st March 2021 under the head salaries is Rs.3,90,000. He owns three houses, the details of which are given as below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **H1****(LOP)** | **H2****(SOP)** | **H3****(SOP)** |
| Municipal valuation | 1,80,000 | 1,50,000 | 2,00,000 |
| Fair rent | 1,72,000 | 1,85,000 | 2,05,000 |
| Actual rent received (11 months) | 1,10,000 | - | - |
| Vacancy period | 1 month | - | - |
| Municipal taxes paid by the owner | 2% | 2% | 1% |
| Date of borrowing capital for construction | 1-4-2019 | 1-4-2017 | 1-3-1999 |
| Interest on capital borrowed |  |  |  |
| 1. Paid during the current year
 | 57,000 | 49,700 | 42,500 |
| 1. Outstanding during the current year
 | - | - | 3,100 |
| Repairs of property | - | - | 12,000 |
| Insurance premium | 8,000 | 4,800 | 6,200 |

He has incurred the following expenditure during the year.

1. Medical treatment of his disabled brother with 70% disability, dependent on him Rs.65,000.
2. Repaid Rs.52,000, including an interest of Rs.12,800 in respect of loan taken from a Nationalised bank for his son’s higher education.
3. Insurance premium, by cheque on the health of his dependent father (72 years) Rs.12,000, on the health of his dependent child Rs.10,000 and an amount of Rs.8,000 by cash for preventive medical check-up of his family.

Compute his taxable income for the AY 2021-22.

**Q.No.3**) a) Shri. Santosh, who suffers from 45% disability, provides the following information about his incomes received during the previous year 2020-21.

1. Rent from subletting a property@ Rs.6,000 p.m. Rent paid to land lord of the property works to Rs.48,000 for the year.
2. Directors commission for underwriting shares of a new company Rs.50,000.
3. Family pension Rs.5,000 p.m. up to November 2020 and thereafter Rs.6,000 p.m. Bank charges an amount of Rs.200.
4. Amount received under Keyman insurance policy Rs.3,00,000 (Including accumulated bonus of Rs.80,000)
5. Royalty received for writing a book on Marathi literature Rs.80,000. He spent an amount of Rs.6,000 on typing and stationary of the manuscript.
6. Interest received on SB A/c from SBI Rs.6,000.
7. Winning from card games (Gross) Rs.1,50,000 (TDS was @ 30% and cost of lottery tickets purchased Rs.5,000)
8. Agricultural income from a land situated in Germany Rs.1,20,000.
9. Dividend received from Virgin (India) Pvt Ltd u/s 2(22)(e) Rs.32,000.
10. Received a gift of an immovable property from his boss on the occasion of his promotion Rs.1,20,000 (SDV Rs.2,00,000)

His income from Business is Rs.3,50,000 and from House property Rs.2,50,000.

He made the following contributions/payments during the PY.

1. He contributed an amount of Rs.6,000 towards National sports fund and Rs.4,000 towards National cultural fund.
2. Life insurance premium paid on son’s life Rs.10,000 (sum assured Rs.80,000)
3. Deposited Rs.20,000 in 5year time deposit scheme of post office.
4. Donated blankets and medicines to a shelter for homeless worth Rs.5,000

Compute his taxable income for the AY 2021-22

**b)** Shri. Desai, a resident in India, gives the following details of his house property for the PY 2020-21.

Purchase of house property as on 1st April 2006 4,00,000

Sale of house property on 15th Dec 2020 32,00,000

Cost of alteration in May 2010 2,00,000

Construction of additional room in March 2015 3,50,000

Brokerage paid on account of transfer 25,000

Legal expenses on account of transfer 8,000

Cost inflation index (CII): 2006-07- 122, 2010-11- 167, 2014-15- 240, 2020-21- 301.

Compute the amount of capital gains for the AY 2021-22.

**Q.No.4)** Answer in short any four of the following **(4 x 5= 20)**

1. Reasonable expected rent u/s 23(1)(a) of the income tax act 1961.
2. Full value consideration sec 48.
3. Deduction u/s 80RRB of the income tax act 1961.
4. Amounts not deductible u/s 58 of the income tax act 1961.
5. E-waybill under Goods and service tax.

**Q.No.5)** Answer in short any four of the following **(4 x 5= 20)**

1. When an individual is assessable in respect of income of his minor child sec 64(1A)
2. Deduction u/s 80EE of the income tax act 1961.
3. Due dates and instalments of advance income tax payable by an assessee.
4. Summary assessment without calling the assessee u/s 143(1) of income tax act 1961.
5. Composition scheme under Goods and service tax.

**Q.No.6)** Answer any four of the following **(4 x 5= 20)**

1. Self-occupied house property.
2. Sec 80GG of the income tax act 1961.
3. Voluntary return of income under the income tax act 1961.
4. Definition of Person under Goods and Service Tax.
5. What is GST and mention its benefits?