



WEST BENGAL STATE UNIVERSITY
B.Com. Honours Part-II Examination, 2020

DIRECT AND INDIRECT TAXATION

PAPER: DITA-IV

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.
Candidates are required to give their answers in their own words as far as practicable.
All symbols are of usual significance.*

GROUP-A

Answer any *one* question from the following

2×1 = 2

1. Give two examples of fully exempted incomes under the Income Tax Act, 1961.
2. Mention any *two* conditions to be satisfied for an income to be taxable under the head Income from House Property.

GROUP-B

Answer any *three* questions from the following

16×3=48

3. Mr. Ananda, a resident of India, furnishes following particulars of his income for the previous year 2019-20: 16
 - (i) Basic pay on 01.04.2014 was Rs. 50,000 p.m. (Annual increment of Rs. 2,000 falls due on 1st April every year)
 - (ii) D.A. is @ 50% of basic salary as per the terms of employment.
 - (iii) Children Education Allowance: Rs. 300 p.m. (He has 2 children including 1 adult)
 - (iv) His employer contributes 13% of basic and D.A. to R.P.F. Interest credited to R.P.F. @12% p.a. is Rs. 38,400.
 - (v) He encashed accumulated earned leave of past years and received Rs. 20,000.
 - (vi) He is provided with a rent-free unfurnished house owned by the employer at Kolkata. Employer incurs an expenditure of Rs. 34,000 for maintenance of garden attached to the house which includes salary of Rs. 18,000 paid by the employer to the gardener.
 - (vii) Professional Tax paid by the employer: Rs. 1,560.Find out the income from salary of Mr. Ananda for the assessment year 2019-20.

4. Mr. A is the owner of 3 house properties in Durgapur . The particulars of the house properties for the previous year ended on March 31, 2019 were as follows : 16

House Number	1	2	3
Used for	Let out for Residence	Let for Business	Self Occupied
	(Rs.)	(Rs.)	(Rs.)
Municipal Value	20,000	30,000	40,000
Fair Rent	25,000	30,000	40,000
Standard Rent	30,000	N.A	N.A
Actual Rent Received	36,000	40,000	---
Municipal Tax paid	2,000	3,000	3,000
Interest on Loan	5,000	---	5,000

Compute Income from House property for the A.Y. 2019-20.

5. Write notes on the following: 5+5+6
- (i) Revised Return
(ii) Person
(iii) Advance Tax.
6. From the following particulars, compute the Business income of Mr. X for the A.Y. 2019-20. 16

Profit and Loss A/C for the year ended on 31.03.2019.

	Rs.		Rs.
To Salaries	1,72,000	By Gross Profit	4,00,000
To Rent and Taxes	30,000	By Dividend	5,000
To Repairing Charges	5,000	By Bad Debts	6,000
		Recovered (not allowed earlier)	
To Legal Expenses	4,000	By Interest on bank deposit	5,000
To Provision for Income Tax	5,000		
To Depreciation	11,000		
To Office Expenses	22,000		
To Bad Debts	6,000		
To Donation to P.M. Relief Fund	5,000		
To Net Profit	1,56,000		
	4,16,000		4,16,000

Additional Information:

- (i) Legal Expenses include Rs. 1,000 penalty paid for infringement of customs regulations.
(ii) Depreciation for the year on the assets as per income tax rule is Rs. 25,000.

7. Mr. Natawar Lal (age 57 years) has provided the following income details for the P.Y. 2018-19: 16
- (i) Income from salaries: Rs. 10,80,000
 - (ii) He has one self-occupied house property. Repayment of house building loan to LIC for the property (including interest of Rs. 1,50,000): Rs. 2,40,000
 - (iii) Short-term capital gains: Rs. 2,90,000
 - (iv) Short-term capital loss: Rs. 50,000
 - (v) Interest on savings bank account: Rs. 17,000
 - (vi) Dividend received from domestic company: Rs. 13,000.
 - (vii) NSC (VIII issue) purchased: Rs. 40,000.
 - (viii) Contribution to PPF: Rs. 20,000
- Compute his tax on total income for the assessment year 2019-20

8. (a) What do you understand by indirect tax? 3+(8+5)
- (b) Discuss the advantages and disadvantages of value added tax.

OR

- (a) Discuss any five important features of Goods and Services Tax in India. 10+6
- (b) What do you understand by 'inter-state supply' under the CGST Act?

N.B. : *Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.*

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