

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, APRIL 2019

Fifth Semester

INCOME TAX LAW AND PRACTICE

(Common for Optional Stream Finance and Taxation of Model I and Model II B.Com. and U.G.C. Sponsored B.Com. Taxation)

[2013 to 2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries 1 mark.

1. What is casual income ?
2. What do you mean by pre-construction period ?
3. What is previous year ?
4. Who is a specified employee ?
5. What is Gross Total Income ?
6. What is Annual Accretion ?
7. Who is a Not Ordinary Resident ?
8. What is Composite Rent ?
9. What is salary ?
10. Define perquisite.

(10 × 1 = 10)

Part B

Answer any eight questions.

Each question carries 2 marks.

11. Explain the tax treatment of Unrecognised Provident Fund.
12. How will you value perquisites in respect of motor car ?
13. What are the allowances fully exempt from tax ?

Turn over

35. Given below is the Profit and Loss account of a Timber merchant for the year ended 31st March 2018 :

Opening stock	:	25,000	Sale	:	5,00,000
Purchases	:	2,50,000	Rent of property	:	15,000
Wages	:	1,00,000	Closing stock	:	35,000
Audit Fee	:	1,000			
Repairs (House property)	:	2,000			
General Charges	:	1,500			
Commission for Raising Loan	:	1,000			
Bad Debt	:	500			
Bad Debt reserve	:	500			
Interest on capital	:	1,500			
Contribution to staff welfare fund	:	2,500			
Provision for income tax	:	10,500			
Depreciation (allowable)	:	2,500			
Net profit	:	1,50,000			
		<u>5,50,000</u>			<u>5,50,000</u>

You are required to compute his total Income for the A.Y. 2018-19.

(2 × 15 = 30)