

Note – 1. Q1 is compulsory carrying 20 marks

2. Attempt any 4 questions from Q2 to Q7 each carrying 10 marks each.

3. The provisions, definitions and sections are subject to Income Tax Act 1961

Q1. Compute Mr Mody's total taxable income and taxability for the assessment year 2017-18 who is 45 years old with the help of following information. (20)

Particulars	Rs
Basic Pay	30,000pm
DA	8,000pm
Commission	10,000
Bonus declared but not received	35,000
Entertainment allowance	1,600pm
Arrears of Salary	9,000
Employer paid LIC premium of Mr Mody	8,500
An award from employee	6,000
Advance Salary	30,000
Income from writing an article in Magazine on Management	4,500
Interest on Saving Bank Deposits	10,000
Dividend from Tata Group	4,000
Income from subletting	800pm
Wining from horse race	30,000

He also pays Rs 7000 by cheque towards mediclaim insurance for himself and 8,000 for his minor daughter. He spent Rs75,000 on his dependant sister who is severally disabled as defined u/s80DD.

Q2 Attempt **any 2** from the following each carrying 5 marks

(10)

1. Mr. Angad submits the following details of his income :

- Interest on bank deposits - Rs25,000.
- Dividend from Indian Company – Rs 3,000.
- Interest on Public Provident Fund A/c - RS 7,000.
- Bank charges for collection of dividends - `Rs 1000.

Compute his income from other sources for the assessment year 2017-18.

2. Define Assessment Year and Previous Year as per Income Tax Act 1961

3. Write note on Gratuity.

Q3. Attempt **any 2** from the following each carrying 5 marks (10)

1. Distinguish between Capital Expenditure and Revenue Expenditure
2. List any 5 disallowable expenses under Income from Business or Profession.
3. Write note on Pension funds

Q4. Attempt **any 2** from the following each carrying 5 marks (10)

1. Mr Kadam has property in Mumbai(H<sub>1</sub>) which is let out . Following particulars are available you are requested to calculate the taxable income under the head Income from House Property for the assessment year 2017-18.

	RS
1. Municipal Valuation	25,00,000
2. Fair Rent	27,50,000
3. Municipal taxes paid by tenant	2,00,000
4. Insurance premium paid	15,00,00
5. Rent Received	45,000 per month

2. Define Agricultural Income
3. Write a note on Leave Salary.

Q5. Attempt **any 2** from the following each carrying 5 marks (10)

1. Define Person.
2. List any 5 income from other sources.
3. Write a note on Deductions under section 80C.

Q6. Attempt **any 2** from the following each carrying 5 marks (10)

1. Discuss the basic conditions for determining the residential status of an individual in India.
2. List any 5 capital assets which are subject to Capital Gain Tax
3. Write a note on Entertainment Allowance under the head salary.

Q7. Attempt **any 2** from the following each carrying 5 marks (10)

1. Shri Ramesh an Indian citizen, left India for employment in U.S on 31<sup>st</sup> March 2012 and return to India on 1<sup>st</sup> June 2016.  
Determine his residential status for the Assessment Year 2017-18.
2. Discuss the treatment of business losses under Income Tax Act 1961
3. Write a note on deduction under section 80U

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