

S.V.'s SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
Telang Nagar, Khorlim, Mapusa-Goa.
T.Y.B.COM FIFTH SEMESTER END EXAMINATION, JANUARY 2022
W.E.F- 2019-20 (C.B.C.S)

Duration: 2 Hours

Max Marks: 80

Accounting Major I: INCOME TAX & GOODS & SERVICES TAX (DSE 1)

Instructions:

- 1. Question No. 1 is compulsory.**
- 2. Answer any 3 questions from the remaining questions.**
- 3. Figures to the right indicate full marks for the respective question.**
- 4. Show important working notes as fair work.**

Q.1. A) Mr. Sanandish, a resident of India (40 years of age) paid by cheque during the previous year 2020-21, medi claim insurance premium of Rs. 23,000 on the health of his dependent mother (a senior citizen) and Rs. 30,000 on the health of his father (a senior citizen). He also paid Rs. 15,000 on his own health, Rs. 15,000 on the health of his spouse and Rs. 8,000 for his dependent brother. He paid Rs. 7,000 on a preventive check up on the health of his spouse, by cash.

Compute the amount of deduction under section 80D for the assessment year 2021-22. **5**

B) Net taxable income of Ms. Vasundhara, (55 years of age) is Rs. 5, 00,000 for the previous year 2020-21.

Compute her income tax liability for the Assessment year 2021-22. **5**

C) Mr. Yasvardhan provides the following information regarding the gifts received and property purchased by him during the previous year 2020-21: **5**

1. Gift of Painting worth Rs.2, 45,000 received from his friend on his birthday.
2. Rs. 15,00,000 worth movable property received by him by way of inheritance.
3. Fixed deposit of Rs. 3,00,000 in contemplation of death of his Uncle.
4. Gift of a plot of land from his grandfather (stamp duty value is Rs. 15,00,000)
5. He purchased a work of art for Rs. 16,00,000 from an exhibition in New York (the fair market value of the work of art on the date of purchase is Rs. 17,00,000).

Compute the amount of gifts chargeable to tax for the Assessment year 2021-22.

D) Ms. Navami, a registered dealer in Goa provides you the following particulars for the period of February, 2021.

- i. Goods purchased within the state - Rs. 4,20,000 (includes GST @ 5%).
- ii. These goods were sold in Mumbai with IGST @ 18% on sales by doing the following value addition to it:

Other expenses incurred –Rs. 50,000 and Profit –Rs. 50,000.

Compute the amount of tax payable after utilising the input tax credit. 5

Q. 2 Mr. Ram, a resident individual from Mapusa, 51 years of age, suffering from a permanent disability of 50%, is the owner of the following 3 house properties, the details of which are given here below :

Particulars	Adarsh	Ashirwad	Chaitanya
	Rs.	Rs.	Rs.
Municipal Value	3,60,000	5,00,000	4,00,000
Fair Rent	3,90,000	4,80,000	3,60,000
Standard Rent	4,00,000	4,50,000	N.A.
Unrealised rent (conditions under Rule 4 satisfied)	50,000	35,000	-----
Vacancy period (number of months)	1 month	2 months	-----
Annual rent	6,00,000	4,20,000	-----
Insurance premium	14,000	15,000	12,000
Municipal tax paid:			
By Owner	-----	8,000	4,000
By Tenant	6,000	-----	-----
Interest on capital borrowed for repairs	2,25,000	89,400	48,000
Nature of house	Let out	Let out	Self -
			occupied

Additional information for the previous year 2020-21 is as follows:

1. Taxable income from salaries is Rs. 3,40,000 and from profession is Rs.4,15,000.
2. Repayment of principal amount of housing loan Rs. 45,000.
3. Deposited Rs. 20,000 in PPF account in his own name.
4. Paid life insurance premium on the life of his married daughter Rs. 5,000.
5. Donated by cheque Rs. 22,000 to National foundation for communal harmony and Rs. 8,000 to Jawaharlal Nehru Memorial Fund.

Compute his net taxable income for the Assessment Year 2021-22. (20)

Q. 3 A) Ms. Dashami, resident in India, provides the following information relating to her income during the previous year 2020-21:

Sr. no	Particulars	Amount Rs.
1.	Amount received on maturity of Keyman's Insurance policy (including bonus Rs. 25,000)	1,00,000
2.	Income from articles published in the journal	7,000
	Expenses incurred for typing and printing of the articles	800
3.	Interest on income tax refund	5,750
4.	Interest on Savings Bank Account in Dena Bank	8,000
5.	Interest from the Government on enhanced compensation for acquisition of her land	1,00,000
6.	Winnings from horse races (Net)	65,000
	Tax Deducted at Source from the above	35,000
7.	Interest received from Fixed deposits with SBI, Panaji	23,000
8.	Interest on NSC VIIIth issue	12,000
9.	Income from letting a machinery along with the property in which the machinery is installed	5,40,000
	Depreciation on the machinery for the year amounted to	32,000
10	She paid by cheque for the medical treatment of her dependent sister being a person with 50% disability	14,250
11	She paid interest on loan taken from Bank of India for education of her son pursuing MBA in Goa Institute of Management	45,000

Compute her Net Taxable Income for the Assessment year 2021-22. (15)

Q. 3 B) Ms. Sweta furnishes you the following details of her capital assets for the previous year 2020-21:

i) House property worth Rs. 5,00,000 purchased on 25-06-2016 was sold on 10-10-2020 for Rs.40,00,000. She made alterations to the house on 13-06-2017, thereby incurring an amount of Rs. 2,00,000 towards the cost of alteration.

Commission paid to the Broker on transfer of the house amounted to Rs.20, 000. Exemption under section 54 available to her was Rs. 25,00,000.

ii) She had purchased a gold necklace on 19-07-2019 whose value was Rs. 7,00,000. She sold the same on 19-09-2020 for Rs. 15,00,000.

Compute the Capital Gains chargeable to tax in the hands of Ms. Sweta for the Assessment year 2021-22. 5

(Cost Inflation Index: 2016-17: 264, 2017-18: 272, 2019-20: 289, 2020-21: 301)

Q. 4 Write short notes on any **four** of the following: (5X4=20)

- a. Deduction for interest on borrowed capital in case of self-occupied house property.
- b. Provisions of section 64(1)(iv) of the Income Tax Act, 1961.
- c. Any five deductions that can be claimed under section 57 from Income from other sources.
- d. Deduction from GTI under section 80CCC of the Income Tax Act, 1961.
- e. Payment of Advance tax by the assessee in pursuance of order of Assessing officer.

Q. 5 Write short notes on any **four** of the following: (5X4=20)

- a. Definition of Transfer in relation to Capital asset under section 2(47).
- b. Provisions of Section 80E of the Income Tax Act, 1961.
- c. Due dates of payment of Advance tax.
- d. Provisions of Belated Return under section 139(4).
- e. Definition of Goods under section 2(52) under CGST Act, 2017.

Q. 6 Write short notes on any **four** of the following: (5X4=20)

- a. List any five funds mentioned under section 80G eligible for deduction at 50%.
- b. Self-Assessment tax under section 140A of the Income Tax Act, 1961.
- c. Loss Return under section 139(3) of the Income Tax Act, 1961.
- d. E-Way Bill.
- e. Definition of Person under CGST Act, 2017.