647510 **BBAtaxAC5040** **Seat No :________**

B.B.A. Semester - 5 (*CBCS*) Examination
December - 2020 (Old Course)
DIRECT TAXES (ALLIED)

Time: 1:30 Hours **Marks: 42**

Instructions:
1. Figures to the right indicate marks.
2. There are five questions in the question paper.
3. Answer any three of the following questions.

Q.1 Write a short notes. (any two) (14)

(A) Agricultural Income.

(B) Define- 'Income'.

(C) Incidence of Income tax.

(D) Residential status for Individual person.

Q.2 Explain ten examples of fully exempted incomes which are not to be included in Gross Total Income of an Assessee. (14)

Q.3 Dr. Bhatt is a medical Practitioner. Details of his receipts and payments are given below. Determine income from Profession. (14)

Receipts	Rs.	Payments	Rs.
- Visit fee	1,60,000	- Rent of Dispensary	72,000
- Consultation fee	1,50,000	- Staff Salary	90,000
- Sale of medicines	20,000	- Rent of Counsulting Room	24,000
- Rent Income of Operation theatre	80,000	- Electricity	15,000
- Dividend	14,000	- Medical Journal	5,000
- Interest on Tresury saving certificate	5,000	- Purchase of surgical Instruments (1^{st} July)	2,000
- Gift from patients	40,000	- Diwali Expenses	10,000
- Sale of surgical Instruments	8,000	- Purchase of medicines	20,000
		- Motor Expenses	36,000
		- Audit fee	2000
		- Association Fee	600

Additional Information:

1. $\frac{1}{2}$ of the use of the motor car is for personal purpose.
2. Depreciation on motor car Rs.12,000.
3. Opening and closing stock of medicines was of Rs. 16,000 and Rs. 8,000 respectively.
4. Depreciation Rate for surgical instrument is 20%. W.D.V. of surgical instruments was Rs.24,000.

Q.4 Shri Anurag joined a company as director a year before 1st April of the previous year in pay scale of Rs. 3000-200-4000. Date of increment is 1st April. (14)

He has received following income during previous year.

(A) Basic pay: as said above.

(B) D.A.: 50% of Basic pay; 25% of which is taken into account for retirement benefits.

(C) Entertainment Allowance : Rs. 6,400 P.A.

(D) Education Allowance: Rs. 5,700 P.A. for 3 children.

(E) Company has allotted a rented house at place of population of 20 lacs of fair rent of Rs.37,500 for his residence with a furniture fixed therein worth Rs.24000. company deducts Rs.275 every month towards this facility.

(F) Company has paid Rs. 4,800 for medical treatment of his son.

(G) Subscription and contribution to provident fund by employee and employer was of Rs. 5,664 each.

(H) Interest of Rs.2000 has been credited in R.P.F. @ 12.5%

(I) Company has paid on behalf of employee Rs. 2,100 as life Insurance Premium.

(J) Company has allotted a car of 1.8 cc for coming to and going from office, company pays maintenance and driver's expenses.

(K) Anurag has paid following sums:

1. Professional Tax Rs. 2,400.
2. Public provident Fund Rs. 3600.
3. Housing loan repayment Rs.14000.

Q.5 Mr. Jayesh Submits the following information for the previous year ending 31 March 2019. (14)

(A) Rental income from house-property at Rajkot:
Rs. 3,00,000. Standard Rent: Rs. 2,50,000. Fair Rent: Rs. 250000.

(B) Municipal and water tax paid during 2018-19 Current year:
Rs. 35,000, Arrears: Rs. 150000.

(C) Interest on loan borrowed towards major repairs to the property: Rs.1,50,000.

(D) Arrears of rent of Rs. 30,000 received during the year which was not charged to tax in earlier year.

Compute Mr. Jayesh's taxable income for the A.Y. 2019-20.

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