

Roll No.

E–1933

**B. B. A. (Sixth Semester)
EXAMINATION, May-June, 2021**

BUSINESS TAXATION

(129)

Time : Three Hours]

[Maximum Marks : 90

[Minimum Pass Marks : 32

Note : Answer all the *five* questions. *One* question from each Unit is compulsory. All questions carry equal marks.

Unit—I

1. Income Tax is charged on the income of ‘previous year’. Do you fully agree with this statement ? If not, what are the exceptions ?

Or

Describe the organisation of the Income Tax Department.

Unit—II

2. From the following information compute taxable income under the head ‘salaries’ of Mr. Anurag, who is working as

P. T. O.

driver with transport company at Jagdalpur for the assessment year 2020-21 :

- (i) Salary ₹ 20,000 p. m.
- (ii) Dearness allowance ₹ 1,500 p. m.
- (iii) Bonus equal to one month's pay.
- (iv) Remote locality allowance ₹ 1,500 p. m.
- (v) Personal expense allowance while on duty ₹ 3,000 p. m.
- (vi) Children education allowance ₹ 195 p. m. (for three children @ 65 p. m. per child)
- (vii) One son of Mr. Anurag lives in a hostel for studies and the employer pays ₹ 400 p. m. to meet hostel expenditure.
- (viii) Entertainment allowance ₹ 450 p. m.

Or

Mr. Z's investment during the year ended 31 March, 2020 consisted of the following :

	₹
(i) 7% Government Securities	25,000
(ii) 8% Agra Municipal Bonds	15,000
(iii) 9% Bombay Port Trust Bonds	20,000
(iv) 7% Government Bonds	18,000

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|------|---|--------|
| (v) | 6% Securities to Foreign Government | 15,000 |
| (vi) | Interest credited to Sukanya Samridhi A/c | 3,000 |

He paid ₹ 60 as commission for collecting interest on securities and ₹ 1,200 as interest on the loan which he had taken for the purpose of purchasing the Bombay Port Trust Bonds. Find out his 'Income from other sources'.

Unit—III

3. Enumerate any *fifteen* items of income which are totally exempted. Also provide any *one* difference between exemption and deduction.

Or

Explain the following :

- (a) Deduction u/s 80 G
- (b) Deduction u/s 80 D
- (c) Section 80 'C' of the Income Tax Act

Unit—IV

4. "Tax planning is a legal and moral way to tax saving."
Discuss the statement.

Or

Write notes on the following :

- (a) Tax avoidance vs. Tax evasion
- (b) Tax as dividend
- (c) Corporate taxation

Unit—V

5. From the following compute tax liability of a Super Senior Citizen (keeping in view of provisions of alternate minimum tax) for the assessment year 2020-21 :

	₹
Pension	6,50,000
Royalty on Books	19,00,000
Expenses to Earn Royalty	1,00,000
Deposit in PPF	1,50,000

Donation to Prime Minister National Relief Fund by Cheque
₹ 50,000.

Or

Describe briefly the procedure for filling an appeal to the Appellate Tribunal against the order of a Commissioner (Appeals).