

**2017**

Time : 3 hours

Full Marks : 60

*Candidates are required to give their answers in  
their own words as far as practicable.*

**Q. No. 1 to Q. No. 10 carry 14 marks each and**

**Q. No. 11 carries 2 marks.**

**Answer any seven questions out of first ten  
questions and Q. No. 11 is compulsory.**

**1. Write, in brief, about any four of the following :**

- (a) Deduction u/s 80 C
- (b) Deduction u/s 80 CCC
- (c) Deduction u/s 80 D
- (d) Deduction u/s 80 E
- (e) Deduction u/s 80 G
- (f) Deduction u/s 80 U



2. How have individuals been classified on the basis of their residential status ? What is the incidence of residential status on the tax liability of an individual ?
3. Mention any fourteen items of income that are fully exempted from tax
4. Mention any **one** difference between Allowances and Perquisites. Write in brief about the procedure of valuation of any **two** of the following Perquisites :
  - (a) Facility of Residential Accommodation
  - (b) Facility of Motor Car
  - (c) Facility of Loan at concessional rate of interest
5. Write in brief about GST (Goods and Services Tax).

**OR**

With the help of imaginary figures, explain the procedure of computation of VAT in Jharkhand.

Interest received on 10% tax-free debentures of a textile company of India 27,000

**Additional Information :** Sania paid interest of Rs. 6,000 on loan taken for purchase of the debentures of Textile Company.

11. Answer any **one** of the following questions :
  - (a) What is the meaning of Value Added Tax (VAT) ?
  - (b) What are the due dates for advance tax payment in case of an Individual in India whose tax liability exceeds the prescribed limit ?
  - (c) What is the meaning of TDS ?





7. Mr. Gaurav purchased a house on 1<sup>st</sup> July, 1977 for Rs. 90,000. The fair market value of the house on 1<sup>st</sup> April, 1981 was Rs. 1,20,000. He spent Rs. 50,000 on improvement of the house in 2004-05. On 1<sup>st</sup> July, 2015 he sold the house of Rs. 1,50,00,000. Calculate Long term capital gain.

**Additional Information :**

YEAR	C. I. I.
1981-82	100
2004-05	480
2015-16	1081

8. Mr. A is the owner of three houses. The following particulars relate to these three houses :

Particulars	House No. 1	House No. 2	House No. 3
Municipal Value	60,000	72,000	90,000
Fair Rent	80,000	84,000	1,12,000
Actual Rent	1,08,000	1,20,000	NIL
Interest on Loan paid for F. Y.			
2015-16	12,000	15,000	20,000
Municipal tax	4,500	5,400	6,750

House number 3 is used by him for own residence. The construction of all the houses was completed before 01. 04. 2008. Calculate his income from house property for the A. Y. 2016-17.

9. Mr. Vijay is an advocate. He prepared following Income and Expenditure for the year 2016-17 :

Particulars	Amount	Particulars	Amount
	(Rs.)		(Rs.)
To Salary to staff	2,10,000	By fees received	
To Stationery used	43,500	from clients	4,50,000
To Law books purchased	24,500	By remuneration received as part	
To Rent of chamber	38,000	time lecturer in Law	2,42,000
To furniture purchased	1,02,500	By gifts from clients	1,10,000
To Income Tax	1,08,000	By dividend on	
To car expenses	83,500	shares of a domestic	
To Surplus (excess of Income over expenditure)	2,17,000	company	25,000
	<u>8,27,000</u>		<u>8,27,000</u>



**Additional Information :**  $\frac{1}{2}$  of the use of car is for personal purpose. Depreciation on furniture is allowed @ 10% and on law books @ 60%. He has included some items of capital nature wrongly in the Income and Expenditure Account. Calculate his income under the head Profits and Gains of Business and Profession for the relevant year.

10. Using the following information, calculate Miss Sania's income under the head Income From Other Sources for the Financial year 2016-17 :

	Rs.
Winnings from Lottery (Net)	70,000
Winnings from horse race (Gross)	49,000
Interest on Savings bank account	7000
Interest on Bank fixed deposits	6000
Dividend from a domestic company	1,5000
Divident from a co-operative society	5000
Interest on Kisan Vikas Patra	6000
Remuneration for part time employment	1,80,000

6. On the basis of the following information, calculate Mr. Ajay's income from salary for the Financial year 2015-16 :

Basic Salary	Rs. 40,000 per month
Dearness Pay	40% of Basic Salary
House Rent Allowance	20% of Basic Salary
Rent paid in Mumbai	Rs. 13,500 per month
Children education allowance	Rs. 800 per month per child for two children
Employer's contribution towards Recognised Provident Fund	Rs. 7,000 per month
Employee's contribution towards Recognised Provident Fund	Same as that of employer
Rate of interest on RPF	8.5% p. a.
Facility of small car with driver was provided to the employee and the employer paid the expenses on running and maintenance of the car. The car was used for official as well as personal purposes.	