

ASSIGNMENT QUESTIONS OF U.G

COMMERCE (B.COM)

SEMESTER – III

DSC 5

INCOME TAX LAW AND PRACTICE

GROUP A

Answer any 1 question (Maximum 600 Words)

[1X8= 8]

1. Briefly discuss about “Exempted Income U/S 10” of Income Tax Act. [8]
2. Write short note on: [4+4= 8]
 - a) “Place of accrual of salary income”,
 - b) “Perquisites” as defined by the act “Income Tax Act” U/S 17(2).
3. Briefly discuss provisions related to “Income from Undisclosed Sources” U/S 68, 69(A), 69(B), 69(C), 69(D). [8]
4. Explain “Indexed Cost of Acquisition” and “Indexed Cost of Improvement” with mathematical examples. [8]
5. Income of “Minor Child” to be clubbed in the income of the child’s parent- discuss in the light of Sec 64(1A). Mention various related cases and provide a suitable example of calculation of such income to be clubbed with parent’s taxable income. [8]

GROUP B

Answer any 1 question (Maximum 1000 Words)

[1X12= 12]

1. Write short note on: [2+2+1+1+1+1+2+1+1+1= 12]
 - a) “Person”,
 - b) “Assessee”,
 - c) “Assessment year”,
 - d) “Previous Year”,
 - e) Various heads of “Gross Total Income”?
 - f) Draw a pro forma showing calculation of “Total Income” and “Tax Liability”.
 - g) “Fair Market Value”.
 - h) “PAN”.
 - i) “Rounding off” of (a) Income, (b) Tax
2. (a) What is ‘Principle of mutuality’ vis-à-vis Sec 22. [1+2+9= 12]
(b) Enumerate the property incomes exempted from tax.
(c) Discuss calculation of income from a “Let out House Property” including all the relevant provisions and terms.

3. Answer the following: [6+6= 12]
- i) Describe the provisions U/S 40A (2), covering who is a "Relative" U/S 2(41); "Substantial Interest"; all the condition of payment to persons covered by sec 40A (2) with example and scope of enquiry U/S 40A(2)(a) and other relevant points.
- ii) Discuss all the provisions related to Sec 40A (3) for payment exceeding Rs. 20,000 paid otherwise than by account payee cheques or bank drafts including 'Exceptions as per Rule 6DD to 6DD (L)' and scope of Sec 40A (3) and where deductions has been claimed earlier on due basis and payment is made in the current year and Enhancement of limit for disallowance of expenditure made in case of transporters.
4. Answer the following: [4+4+4= 12]
- (a) Enlist the provisions U/S 56 (2) (ib) for winning from lotteries, crossword puzzles, horse races and card games etc.
- (b) Discuss the provisions U/S 56 (2) (ic) for sum received from employees as their contributions towards staff welfare schemes.
- (c) Enumerate the provisions U/S 56 (2) (id) for calculation of income from Interest on securities (including Sec 2 (28B) and sec 10(15) up to persons exempt from tax u/s 10, 11, 13A; Grossing up of interest and Avoidance of Tax by certain transactions in securities U/S 94 including exceptions.
5. Briefly describe the provisions for deduction U/S 80E; U/S 80 EE; U/S 80 G; U/S 80GG; U/S 80GGA; U/S 80GGB; U/S 80GGC. [12]