

301601

May 2024

**BBA (GEN) -VI Semester
Income Tax (BBA-GEN-601)**

Time : 3 Hours]

[Max. Marks : 75

Instructions :

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

PART-A

1. (a) Mr. X is a citizen of India but has been working in the US for the past 5 years. He recently returned to India and plans to start a business. Determine his residential status for income tax purposes and the tax implications on his income. (1.5)
- (b) Write the names of different sources of income. (1.5)
- (c) An investor sells a piece of land for a profit of Rs. 2,000,000. Advise on the type of capital gain applicable and the tax implications based on the holding period of the land. (1.5)
- (d) What is meant by clubbing of income? (1.5)

- (e) How is tax deducted at source (TDS) implemented? (1.5)
- (f) What are TDS implications for taxpayers? (1.5)
- (g) Define assessment year. (1.5)
- (h) Define income tax and explain its purpose. (1.5)
- (i) Define the concept of carry forward of losses in income tax. (1.5)
- (j) Mr. Y has a gross total income of Rs. 8,00,000. He has invested in various tax-saving schemes and eligible deductions amounting to Rs. 1,50,000. Determine his taxable income and the applicable tax liability as per the current tax slabs. (1.5)

PART-B

2. Explain the concept of income from salaries and its taxation, including any deductions or exemptions applicable. (15)
3. (a) What deductions are allowed from the gross total income of individuals, and what criteria must be met to claim them? (7.5)
- (b) Discuss the assessment process for individuals under the income tax regime, including any relevant procedures or documentation. (7.5)
4. (a) An individual receives a salary of Rs. 10,00,000 per year. He also owns a house property that is rented out for Rs. 30,000 per month. Calculate his taxable income considering standard deductions and exemptions available under the Income Tax Act. (7.5)

- (b) What constitutes income from profits and gains of business and profession, and how is it assessed for tax purposes? (7.5)

5. (a) A business incurs expenses of Rs. 500,000 and generates revenue of Rs. 800,000. Calculate the gross profit and net profit for the business, considering applicable deductions. (5)
- (b) How is income from house property calculated, and what deductions are allowed against such income? (10)
6. (a) How does one determine their residential status for tax purposes, and what are the implications of different residential statuses? (5)
- (b) Analyze the different types of income exempted from tax under the Income Tax Act, 1961. Provide examples for each type. (10)
7. (a) Describe the process of set off and carry forward of losses for individuals and its significance in taxation. (10)
- (b) An individual has an income of Rs. 400,000 from interest on fixed deposits and Rs. 150,000 from consultancy services. Compute his total income after considering the set-off provisions under the Income Tax Act. (5)