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NA—144—2022

FACULTY OF COMMERCE

B.Com. (Second Year) (Third Semester) EXAMINATION

MAY/JUNE, 2022

(New Pattern)

TAX PROCEDURE AND PRACTICE

Paper-(UGCVC-TPP-VI)/BC.3.5.2

(Income Tax Procedures & Provisions-I)

(Thursday, 16-6-2022)

Time : 2.00 p.m. to 5.45 p.m.

Time— 3.45 Hours

Maximum Marks—75

N.B. :—All questions are compulsory.

1. Explain in detail Residential Status of Individual and HUF. Determine residential status of Mr. Tango who come to India first time on 15-06-2020 and stay in India up to 31-03-2021. 20
2. Write a note on Leave Encashment and Gratuity, Pension, Retrenchment Compensation and Retirement Compensation. 15

Or

Mr. Ravi retired on 15-6-2020 after completion of 26 years and 8 months of Service and received gratuity of 15,00,000. At the time of retirement, his salary was :

Basic Salary 50,000 p.m. Dearness Allowance 10,000 p.m (60% of which is for retirement benefits)

Commission 1% of turnover (turnover in the last 12 months was 12 L)

Bonus 25,000 p.a.

Compute his taxable gratuity assuming :

- (i) He is private sector employee and covered by Payment of Gratuity Act, 1972.

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- (ii) He is private sector employee and not covered by Payment of Gratuity Act, 1972.
- (iii) He is a Government employee.
3. Briefly explain any 15 Exempt incomes under section 10. 15
- Or*
- Explain Income Tax Authority and note down the powers of Income Tax Officer.
4. Explain Clubbing provision of Income Tax Act, 1961 15
- Or*
- Explain powers of CBDT and also determine residential status of Miss P.V Sindhu who left India on 15-10-2020 for French Open Badminton Competition and stay outside India up to 31-01-2021.
5. Solve any *two* : 10
- (i) Tax Rate of Individual with Surcharge.
- (ii) Compute tax when income of Rs.1,58,00,000 as per 115BAC.
- (iii) Mr. Datta received voluntary retirement compensation of 7,00,000 after 30 years 4 months of service. He still has 6 years of service left. At the time of voluntary retirement.
- He was drawing basic salary 20,000 p.m. :
- Dearness allowance (which forms part of pay) 5,000 p.m.
- Compute taxable voluntary retirement compensation,
- (iv) Define person and residential status of company.