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( 6th Semester )

**COMMERCE**

Paper No. : BC-604

**( Income-tax Law and Practice )**

*Full Marks : 70*

*Pass Marks : 45%*

*Time : 3 hours*

( PART : B—DESCRIPTIVE )

( Marks : 45 )

*The figures in the margin indicate full marks  
for the questions*

Answer **all** questions

1. (a) Mention nine incomes which are exempted from income tax. 9

*Or*

- (b) Explain the residential status of HUF. 9

2. (a) What is fringe benefit? Explain as per the provisions of IT Act related to 'income from salary'. 9

Or

- (b) Determine the net annual value of Mr. Shah (resident) in the following cases :

	House-I (in ₹)	House-II (in ₹)
Expected fair rent	84,000	84,000
Municipal value	72,000	72,000
Standard rent	80,000	90,000
Actual rent received/ receivable if property remains let out throughout previous year	1,20,000	1,44,000
Unrealized rent	30,000	72,000
Local taxes borne and paid by owner	6,000	12,000

3. (a) Explain the computation of assessment of tax liability of an individual as per IT Act. 9

Or

- (b) Explain the provisions of Income Tax Act in regard to the refund of tax. 9

4. (a) What is an appeal? When and where does an appeal lies? 9

Or

(b) State the revisionary powers of Commissioner of Income Tax as mentioned under Income Tax Act, 1961. 9

5. (a) What is Central Board of Direct Taxes? Explain their powers and functions. 3+6=9

Or

(b) What is ITO? Explain the powers and functions of ITO in context to Income Tax Authorities under Income Tax Act, 1961. 2+7=9

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2016

{ 6th Semester }

**COMMERCE**

Paper No. : BC-604

**{ Income-tax Law and Practice }**

{ PART : A—OBJECTIVE ;

{ Marks : 25 }

*The figures in the margin indicate full marks for the questions*Answer **all** questions

## SECTION—I

{ Marks : 15 }

1. Indicate whether the following statements are True (T) or False (F) by putting a Tick (✓) mark :

1×5=5

- (a) Direct tax is a kind of tax where incidence and impact is on the same person.

{ T / F }

(b) Allowances is a fixed sum of money received by the employer from the employees to meet their official or personal expenses.

( T / F )

(c) TDS is one of the modes of collection of taxes.

( T / F )

(d) Appeal to Supreme Court comes under Section 261.

( T / F )

(e) The CBDT is created under the State Boards of Revenue Act, 1963.

( T / F )

2. Choose the correct answer and place its code in the brackets provided : 1×5=5

(a) Every assessee is a person, and

(i) every person is also an assessee

(ii) every person need not be an assessee

(iii) an individual is always an assessee

(iv) an HUF is always an assessee [       ]

(b) Taxable income under the head salaries is computed after making the deduction under

(i) Section 13

(ii) Section 14

(iii) Section 15

(iv) Section 16

[     ]

(c) The concept of TDS envisages the principles of

(i) 'Pay as you earn'

(ii) 'Pay as you spent'

(iii) 'Pay as you desire'

(iv) None of the above

[     ]

(d) Orders of Appellate Tribunal under

(i) Section 234

(ii) Section 204

(iii) Section 230

(iv) Section 244

[     ]

- (e) Which one of the following income-tax authorities is appointed to allot PAN?
- (i) Commissioner of Income-tax
- (ii) Joint Commissioner
- (iii) Income-tax Officer
- (iv) Commissioner (Appeal) [     ]

3. Fill in the blanks : 1×5=5

- (a) The previous year for the assessment year

2015-16 is .....

- (b) ..... are the benefits given to the employee by the employer in addition to salary or wages.

- (c) Every person is liable to pay advance tax if advance tax payable is

₹ ..... or more.

(d) Revision in favour of assessee comes under

Section .....

(e) ITO is the person with whom an assessee comes

into ..... contact.

SECTION--II

( Marks : 10 )

4. Write short notes on the following :

2×5=10

(a) Agricultural Income

(b) Casual Income

(c) Advance Tax

(d) Appeal

(e) CBDT

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