

Exam. Code : 108505

Subject Code : 100439

B.Com. 5<sup>th</sup> Sem. (Batch 2022-25)

**DIRECT TAX LAWS**

**Paper—BCG-504**

Time Allowed—3 Hours]

[Maximum Marks—50

**Note** :— Attempt **FIVE** questions in all, selecting at least **ONE** question from each section. The fifth question may be attempted from any section. All questions carry equal marks.

**SECTION—A**

1. Discuss in detail the nature and scope of Income Tax Act, 1961.
2. A is a foreign citizen. His father was born in Delhi in 1953 and his mother was born in England in 1954. His grandfather was born in Pakistan in 1918. He comes to attend his friends' marriage on 9th December, 2019 and stays in India for 261 days thereafter. Determine his residential status.

**SECTION—B**

3. Anirudh has a property whose municipal valuation is Rs. 1,30,000 p.a. The fair rent is Rs. 1,10,000 p.a. and the standard rent fixed by the Rent Control Act is Rs. 1,20,000 p.a. The property was let out for a rent of Rs. 11,000 p.m. throughout the previous year. Unrealised rent was Rs. 11,000 and all conditions prescribed by Rule 4 are satisfied. He paid municipal taxes @ 10% of municipal valuation. Interest on borrowed capital was Rs. 40,000 for the year. Compute the income from house property of Anirudh for A.Y. 2020-21.
4. Discuss the provisions relating to Business and Profession in detail.

**SECTION—C**

5. What are the conditions for the taxability of income under the head Capital Gains ?
6. Mr. X has one factory building along with machines and furniture in Mumbai which has been let out @ Rs. 50,000 p.m. Repair charges of the building is Rs. 7,000 and that of furniture fixtures are Rs. 4,000, insurance premium paid Rs. 3,000 and depreciation is Rs. 27,000.

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## SECTION—D

7. Write short notes on :
- (a) Deduction under Section 80RRB in respect of royalty from patents.
  - (b) Deduction under Section 80GGB and Section 80GGC in respect of contribution to political parties.
8. Following are the particulars of income of Mr. Ram, who is 70 years old resident in India, for the assessment year 2020-21 : Gross Total Income Rs. 8,12,000<sup>1</sup> which includes Long-term capital gain of Rs. 2,55,000<sup>2</sup>, Short-term capital gain of Rs. 88,000<sup>3</sup>, Interest income of Rs. 12,000<sup>4</sup> from Savings bank deposits with banks and Rs. 30,000<sup>5</sup> from bank FD. Mr. Ram invested in PPF Rs. 1,40,000 and also incurred medical expenditure (no medical insurance) Rs. 61,000. Compute the total income of Mr. Ram.