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SEAT No. :

P2210

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[5805]-206

M.Com. (Part - I) (Semester - II)

ADVANCED ACCOUNTING AND TAXATION

Business Tax Assessment and Planning

(2019 Pattern) (CBCS) (Group - A)

Time : 3 Hours]

[Max. Marks : 60

Instructions to the candidates:

- 1) *Question No. 1 is compulsory.*
- 2) *Attempt any Two Questions from the remaining.*
- 3) *Figures to right indicate full marks.*
- 4) *Use of simple calculator is allowed.*

Q1) A) i) Fill in the blanks.

[5]

1. Central Board of Direct Taxes is _____.
 - a) An Income Tax Authority under the Income Tax Act
 - b) Not an Income Tax Authority under the Income Tax Act
 - c) Custom Authority
2. Under _____ section of Income Tax Act capital gain is charged.
 - a) Section 45
 - b) Section 55
 - c) Section 65
3. If any default is made in compliance with the above provisions, the firm will be assessed as a firm without deducting _____ and salary to partners.
 - a) Interest
 - b) Dividend
 - c) Commission
4. Tax avoidance is _____.
 - a) Illegitimate
 - b) Legitimate
 - c) Punishable

P.T.O.

5. _____ Registration is required only for those e-commerce operators who are required to collect tax at source.

- a) Compulsory
- b) Voluntary
- c) Optional

ii) **Match the following pairs.** [5]

Group A	Group B
1. IGST	a) Valid till it is cancelled
2. Section 144	b) Best Judgment Assessment
3. Tax Planning	c) Non- Resident taxable person
4. Registration certificate	d) Integrated Goods and Services Tax
5. GST-REG 09	e) A Legal Activity

iii) **State whether following statements are TRUE or FALSE.** [5]

- 1. The value of supply of goods and services shall be the transaction value.
- 2. Tax planning is the way of tax liability by taking full advantage provided by the Act.
- 3. An appeal to the Commissioner of Income-tax (Appeals) shall be filed in Form No. 35.
- 4. Director of Income Tax is the highest administrative authority for income tax in India.
- 5. IGST is charged on the inter-state supply of goods and services.

B) **Write Short Notes (Any Three) :** [15]

- a) Best Judgment assessment
- b) Nature and Scope of Tax Management and Planning
- c) Tax Authorities
- d) Types of returns
- e) Utilization of input tax credit

Q2) The Profit and Loss A/c of JK Ltd. (a Partnership Firm) for the year ended 31st March 2022 is as follows: [15]

Profit and Loss A/c
For the year ended 31st March 2022

Particulars	Rs.	Particulars	Rs.
Cost of goods sold	10,00,000	Sales	18,00,000
Remuneration to Partners	4,49,000	Rent of house property	60,000
Interest to Partners @ 18% p.a.	60,000	Dividend	1,70,000
Municipal Tax of house property	25,000		
Other expenses	2,36,000		
Net Profit	2,60,000		
	20,30,000		20,30,000

Other Information:

- a) Out of other expenses Rs. 18,400 is not deductible u/s 36,37 (1) and 43B.
- b) On 15.1.2022, the firm pays an outstanding Sales Tax Liability of Rs. 54,700 of the previous 2020-21. As this amount pertains to the previous year 2020-21, it has not been debited to the aforesaid Profit and Loss A/c.

Calculate Remuneration under section 40 (b).

Q3) The total income of a co-operative society (other than consumer co-operative society) for the financial year ending 31st March 2022 under various heads is as under : [15]

	Rs.
Banking Business	10,000
Income from cottage industry	15,000
Marketing of agricultural produce grown by its members	15,000
Income from purchase and sale of agricultural implements to members	12,000
Profits and gains of business	75,000
Interest and dividend from other cooperative society	12,000
Collective disposal of labour	11,000
Income from house property	50,000

Compute taxable income of the co-operative society.

Q4) A) Mr. Ram furnishes the following particulars of his income and losses for the previous year 2021-22. **[10]**

	Rs.
Income from salary	5,00,000
Interest on government securities	4,000
Income from house property (Net)	16,000
Profit from cloth business (before claiming depreciation)	40,000
Current year depreciation	3,000
Speculation business profit	10,000
Long term capital gain	24,000
Short term capital gain	8,000

The items brought forward from assessment year 2021-22 are as follows:

	Rs.
Unabsorbed depreciation	10,000
Speculation business loss	30,000
Loss from stationery business	16,000
Long term capital loss	30,000
Short term capital loss	12,000

Compute Gross Total Income of Mr. Ram for the assessment year 2022-23 assuming that he has not exercised new taxation regime U/S 115 BAC.

B) Navodaya purchased goods for Rs. 20,000 and these manufactured goods sold within a state for Rs. 90,000. GST Rate was 18%. Calculate GST payable by Navodaya. **[5]**

