

JK Lakshmipat University Jaipur

INSTITUTE OF MANAGEMENT

End Term Examination, December 2024

BBA, 2024-25

Roll No.....

FA1110: DIRECT TAXATION

Time: 2 hours Max. Marks: 40

Instructions to students:

1. Do not write anything other than your roll number on question paper.
2. Mention all the assumptions for your answers clearly.

Questions from 1.1 to 1.10 carry 2 marks each

- Q.1.1 What is 'Municipal Value' in the context of calculating income from house property?
- Q.1.2 Ms. Singdha stayed in India from 01st April 2019 to 31st July 2019 and again from 01 September 2019 to 30 November 2019. Is she an Indian resident for the financial year 2019-2020?
- Q.1.3 Differentiate between 'Gross Annual Value' and 'Net Annual Value' of a property.
- Q.1.4 How does the treatment of interest on home loan differ for a self-occupied property and a let-out property in the calculation of income from house property?
- Q.1.5 Explain the components that constitute 'Salary' for taxation purposes.
- Q.1.6 Explain the tax implications of 'House Rent Allowance' (HRA) for employees.
- Q.1.7 Describe the tax treatment of Travel Allowance (TA) under the Income Tax Act.
- Q.1.8 How is 'Gratuity' treated for taxation purposes in the case of salaried employees?
- Q.1.9 Discuss the tax implications for a resident and non-resident individual in India.
- Q.1.10 Explain the criteria for 'Ordinarily Resident' in the context of determining residential status.

- Q.2.1 Ascertain Mr. Sharma's residential status for the assessment year 2023-24 (financial year 2022-23) based on the following information regarding his presence in India: 5.0(LO 1,2)
- During the financial year 2022-23, Mr. Sharma stayed in India for 50 days. In the financial year 2021-22, he was in India for 100 days. For the financial year 2020-21, his presence in India was 90 days. In the financial year 2019-20, he stayed in India for 120 days. During the financial year 2018-19, his stay in India amounted to 50 days. Determine whether Mr. Sharma's residential status for the assessment year 2023-24 is 'Resident,' 'Non-Resident,' or 'Resident but Not Ordinarily Resident'.

Q.2.2 What is the taxable income from house property for Mr. Vimal Shah, who owns two residential properties in the financial year 2022-2023? Property A is occupied by the owner, and Property B is rented out. B was rented out for the 11 months in a year. Calculate Mr. Vimal Shah's taxable income from these house properties. 5.0(LO 1,2)

Property A (Owner-Occupied):

Municipal Taxes Paid Annually: Rs. 15,000

Home Loan Interest: Rs. 2, 50,000

The property was self-occupied throughout the year.

Property B (Rented Out):

Monthly Rental Income: Rs. 40,000

Annual Municipal Taxes Paid: Rs. 20,000

Home Loan Interest: Rs. 1, 50,000.

Q.2.3 Ms. Smita Singh has a total taxable income of Rs 9,00,000. Her income has been calculated by including income from all sources such as salary, rental income, and interest income. All deductions are applied. As her tax consultant, ascertain her tax dues for FY 2022-23 (AY 2023-2024). 5.0(LO 3,4)

Q.2.4 Discuss the treatment and calculation of depreciation while calculating the income from business and profession. 5.0(LO 2)
