

JK Lakshmipat University Jaipur
INSTITUTE OF MANAGEMENT

End Term Examination, 2024

BBA, Semester VI (Backlog) 2023-24

Roll No.....

FA1104: 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

(LO 1, 4, 5)

Q.1.1 Which tax was replaced by GST in India?

- A. Value Added Tax, Service tax
- B. Sales Tax, Service tax
- C. Value Added Tax, Service tax, Sales tax
- D. Value Added Tax, corporate tax, Sales tax

Q.1.2 What is the current number of GST tax slabs in India?

- A. 1 B. 3 C. 5 D. 4

Q.1.3 Which government body administers the GST in India?

- A. Goods and Services Tax Council
- B. Ministry of Finance
- C. Central Board of Indirect Taxes and Customs
- D. All of the above

Q.1.4 Which goods are exempt from GST in India?

- A. Commodities like milk and fresh fruits
- B. Luxury cars
- C. Electronics
- D. None, all goods are taxed under GST

Q.1.5 What is the current GST rate on essential food items?

- A. 5% B. 12% C. 18% D. 0%

Q.1.6 What is the full form of IGST in the context of GST?

- A. Integrated Goods and Sales Tax
- B. Indian Goods and Services Tax
- C. Internal Goods and Services Tax
- D. International Goods and Sales Tax

Q.1.7 Which of the following transactions are considered under CGST?

- A. Transactions within the state
- B. Transactions between two states
- C. Transactions involving the central government
- D. Transactions with foreign countries

Q.1.8 What is the primary objective of implementing GST in India?

- A. Simplification of the tax structure
- B. Increasing tax burden on citizens
- C. Promoting complex taxation systems
- D. None of the above

Q.1.9 Which is the regulatory authority for GST-related matters in India?

- A. GST Council
- B. Reserve Bank of India
- C. Securities and Exchange Board of India
- D. National Stock Exchange

Q.1.10 What is the meaning of "Input Tax Credit" under GST?

- A. Tax paid on inputs can be reduced from the tax payable on outputs
- B. Tax credit on luxury goods as input
- C. Tax credit available only for small businesses
- D. Tax credit on imported goods

Questions from 2.1 to 2.5 carry 2 marks each.

(LO 1, 2, 3)

Q.2.1 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.2.2 Explain the components that constitute 'Salary' for taxation purposes.

Q.2.3 Explain the tax implications of 'House Rent Allowance' (HRA) for employees.

Q.2.4 Discuss the tax implications for a resident and non-resident individual in India.

Q.2.5 Explain the criteria for 'Ordinarily Resident' in the context of determining residential status.

Questions from 3.1 and 3.2 carry 5 marks each.

Q3.1) Explain Tax Cascading effect with example and how GST helps to overcome it? (LO 4, 5)

Q3.2) 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. (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.