



'समानो मन्त्रः समितिः समानी'

UNIVERSITY OF NORTH BENGAL

B.Com. Honours Part-III Examination, 2022

B.COM.

PAPER-3H3

DIRECT AND INDIRECT TAXES IN INDIA

Time Allotted: 4 Hours

Full Marks: 100

The figures in the margin indicate full marks.

DIRECT TAX

GROUP-A

Answer any three questions

12×3 = 36

- From the following details, find out the Income from salary of Mrs. X, an employee of a private sector company, for the assessment year 2021-22:
 - Basic salary ₹40,000 per month
 - Dearness allowance @ 25% of basic salary
 - Mrs. X contributes 12% of salary to a recognized provident fund and her employer also contributes the same amount
 - Interest credited on accumulated balance of the provident fund @12% is ₹36,000
 - A rent-free furnished house in Kolkata is provided by the employer (employer pays rent of house ₹10,000 per month and cost of furniture provided is ₹1,00,000)
 - Medical bills for private check-up reimbursed ₹20,000
 - She is provided with a 1200 cc car which she uses for both official and private purpose. Car is owned by the employer and all the expenses are borne by the employer
 - Professional tax ₹130 per month is paid by the employer.
- Sri Roy is the owner of three houses. From the following information, compute his income from house property for the assessment year 2021-22:

	House-I	House-II	House-III
Situated at	Kolkata	Durgapur	Malda
Nature of Occupation	Let-out	Self-occupied	Used for own business
Gross Municipal value (₹)	3,00,000	2,00,000	1,00,000
Fair Rent (₹)	2,80,000	2,25,000	1,10,000
Annual Rent receivable (₹)	3,60,000	-	-
Vacancy Period (month)	2	-	-
Municipal tax (% of M. V.)	10	5	7.5
Interest on loan (₹)	1,00,000	50,000	75,000

3. Mr. X submits the following Profit and Loss Account of his business for the year ended 31.03.2021:

Particulars	Amount Rs.	Particulars	Amount Rs.
To Opening Stock	45,000	By sales	4,90,000
To Purchases	3,50,000	By Closing Stock	50,000
To Salaries	21,000	By Bad Debt Recovered (Disallowed in earlier year)	3,000
To Depreciation	22,000		
To Advertisement	30,000	By Interest on fixed deposit	10,000
To Provision for Income Tax	10,000		
To Life Insurance Premium	5,000		
To GST	6,000		
To Provision for Bad Debt	1,000		
To Bad Debt	5,000		
To Interest on Capital	2,000		
To Legal Expenses	6,000		
To Net Profit	50,000		
	5,53,000		5,53,000

Other information:

- (i) Depreciation as per Income Tax Rule ₹25,000
 - (ii) Salary include ₹6,000 paid to Mr. X
 - (iii) Closing stock overvalued by ₹5,000
 - (iv) Sales include ₹20,000 being the value of goods withdrawn by the proprietor, cost of which is ₹18,000.
 - (v) Legal charges include ₹2,000 paid as penalty for infringement of GST Law.
- Compute income from business for the assessment year 2021-22.

4. Write short notes on: (any *three*)

4×3 = 12

- (a) Permanent Account Number
- (b) Previous Year
- (c) Agricultural Income
- (d) Annual Value
- (e) Perquisites.

5. Answer any *three* of the following:

4×3 = 12

- (a) Mr. X a citizen of India, is employed with XYZ Ltd. at Kolkata. He left India for the first time on June 30, 2019 for the purpose of working on a project of his employer company is USA. After completion of the project he came back to Kolkata on January 1, 2021. Determine his residential status for the assessment year 2021-22.
- (b) Write a note on deduction u/s 80D.
- (c) List eight instances of income that are fully exempt from income tax.
- (d) Write a short note on Profits in lieu of salary.
- (e) Write a note on advance payment of tax.

GROUP-B

6. Answer any of *three* following: 4×3 = 12

- (a) “The general rule is that the income of the previous year alone should be taxed in the immediately following assessment year”. What are the exceptions to this rule?
- (b) Write a note on “short term capital asset”.
- (c) From the following particulars, compute the tax liability of Mr. X for the assessment year 2021-22.

	₹
Gross Total Income	6,75,000
Contribution to the Public Provident Fund	40,000
Purchases of NSC VIII Issue	10,000
Payment of LIC Premium	10,000

- (d) Write a note on deduction u/s 80u.
- (e) Distinguish between heads of income and source of income.

GROUP-C

7. Answer any *six* questions: 2×6 = 12

- (a) Who is treated as a Non-Resident in India?
- (b) Write a note on TAN.
- (c) Define ‘Block of Assets’ as per Income Tax Act, 1961.
- (d) Define tax avoidance.
- (e) How much the maximum amount of deduction available for individual u/s 87A?
- (f) What are limits with respect to House Rent Allowance u/s 10(13A) received by an employee?
- (g) Who is assessee in default?
- (h) What is tax on employment?
- (i) When can an individual claim deduction u/s 80E?
- (j) What do you mean by belated return?

INDIRECT TAX

GROUP-D

8. Answer any *two* questions: 12×2 = 24

- (a) What is meant by Excise Duty? State the provisions in the Central Excise Duty Act in relation to ‘Excisable Goods’ and ‘Factory’.
- (b) State the features of Customs Duty. What are different types of Customs duty?

- (c) Write short note on any *three* of the following:
- (i) Additional Duty
 - (ii) Safeguard Duty
 - (iii) Anti-dumping Duty
 - (iv) Specific Safeguard Duty.
- (d) How is registration of a person made under the Central Excise Act?

GROUP-E

9. Answer any *two* questions: 4×2 = 8
- (a) Define goods as per Customs Act.
 - (b) What is tariff value?
 - (c) Write a note on CETA.
 - (d) Write a note on import / export by post under Custom Duty.

GROUP-F

10. Answer any *four* questions 2×4 = 8
- (a) What is duty on re-import?
 - (b) Who is commission agent as per the Central Excise Act?
 - (c) Define antidumping duty.
 - (d) What penalty is imposed for non-registration under Central Excise Duty?
 - (e) What is ad valorem duty?
 - (f) What is tariff value?

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