

## IMBA FS Sem-5 Examination

FS-505

Tax Planing

December-2024

Time : 2-30 Hours]

[Max. Marks : 70

**Instructions:**

- Figures to the right indicate Full Marks.
- Do not write anything on the question paper.
- Simple calculator is allowed.

Q.1	<p>During the previous year 2023-24, Radhe has the following incomes:</p> <p>(a) Salary income received in India for services rendered in Singapore. 3,90,000</p> <p>(b) Income from profession in India, but received in Germany 3,60,000</p> <p>(c) Property income in Uganda 5,00,000</p> <p>(d) Profits earned from business in Bangalore. 1,50,000</p> <p>(e) Agricultural income in Kenya 1,60,000</p> <p>(f) Profits from a business carried on at Nepal but controlled from India 2,20,000</p> <p>Compute the income of Radhe for the assessment year 2024-25, if he is (i) Resident and Ordinarily Resident (ROR), (ii) Not Ordinarily Resident (NOR), &amp; (iii) Non-Resident in India (NR).</p>	14
Q.2	<p>Mr. Dixit, an Indian citizen, has been living and working abroad for several years. He provides the following details regarding his stay and income for the financial year 2023-2024:</p> <p>Dates of Stay in India:</p> <ul style="list-style-type: none"> <li>◦ April 1, 2023, to May 15, 2023</li> <li>◦ December 1, 2023, to February 29, 2024</li> </ul> <p>Determine: Mr. Dixit's residential status for the assessment year 2024-2025.</p> <p style="text-align: center;"><b>OR</b></p> <p>Define capital gains and explain the types of assets that are subject to capital gains tax.</p>	14
Q.3	<p>A) What constitutes income from house property under the Income Tax Act?</p> <p>B) Differentiate between allowances and perquisites.</p> <p style="text-align: center;"><b>OR</b></p> <p>A) How is the Annual Value of a property determined?.</p> <p>B) Distinguish between short-term and long-term capital gains.?</p>	<p>7</p> <p>7</p> <p>7</p> <p>7</p>

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Q.4	<p>What are the 9 major steps to calculate taxable income?</p> <p style="text-align: center;"><b>OR</b></p> <p>Mr. Rajesh works in a private company and earns a basic salary of ₹50,000 per month. He lives in a rented apartment in Delhi, where he pays ₹15,000 per month as rent. He receives a monthly House Rent Allowance (HRA) of ₹20,000.</p> <p>As per the Income Tax Act, 1961, the exemption for HRA is calculated as the least of the following three amounts:</p> <p>Actual HRA received.</p> <p>50% of the basic salary (since Mr. Rajesh lives in a metro city).</p> <p>Rent paid minus 10% of the basic salary.</p> <p>Calculate the amount of HRA exempt from tax for Mr. Rajesh in the financial year 2024-2025.</p>	14																																																				
Q.5	<p>A Banking company has prepared the following Profit and Loss Account for the year ended March 31, 2024:</p> <table><tr><th>Particulars</th><th>₹</th><th>Particulars</th><th>₹</th></tr><tr><td>To Interest paid on deposits</td><td>2,00,000</td><td>By Interest on overdraft</td><td>60,000</td></tr><tr><td>To Salaries and Allowances</td><td>1,50,000</td><td>By Interest on cash credits</td><td>1,00,000</td></tr><tr><td>To Rent and Taxes</td><td>20,000</td><td>By Interest on Loans</td><td>3,00,000</td></tr><tr><td>To Postage Charges</td><td>10,000</td><td>By Interest on Securities</td><td>1,20,000</td></tr><tr><td>To Stationery and Printing</td><td>8,000</td><td>By Commission</td><td>40,000</td></tr><tr><td>To Depreciation</td><td>40,000</td><td>By Rent of buildings(Mortgaged with the Bank)</td><td>60,000</td></tr><tr><td>To Other Expenses</td><td>20,000</td><td>By Underwriting commission</td><td>30,000</td></tr><tr><td>To Provision for Income tax</td><td>2,30,000</td><td>Profit on sale of shares underwritten</td><td>70,000</td></tr><tr><td>To Bad Debts provisions</td><td>40,000</td><td></td><td></td></tr><tr><td>To Profit to Balance sheet</td><td>62,000</td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td>7,80,000</td><td></td><td>7,80,000</td></tr></table> <p>Compute the Business Income of the Banking Company for the relevant Assessment Year.</p>	Particulars	₹	Particulars	₹	To Interest paid on deposits	2,00,000	By Interest on overdraft	60,000	To Salaries and Allowances	1,50,000	By Interest on cash credits	1,00,000	To Rent and Taxes	20,000	By Interest on Loans	3,00,000	To Postage Charges	10,000	By Interest on Securities	1,20,000	To Stationery and Printing	8,000	By Commission	40,000	To Depreciation	40,000	By Rent of buildings(Mortgaged with the Bank)	60,000	To Other Expenses	20,000	By Underwriting commission	30,000	To Provision for Income tax	2,30,000	Profit on sale of shares underwritten	70,000	To Bad Debts provisions	40,000			To Profit to Balance sheet	62,000								7,80,000		7,80,000	14
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