

BBA/IMBA in ITF (NEP) Sem.-4 Examination
DSC-M-ITF-244T

Tax Planning

May-2025

Time : 2-00 Hours]

[Max. Marks : 50

Instructions:

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

Q.1 A	What are the key criteria for determining the residential status of an individual for tax purposes? Explain the types of resident as per section 6 of Income Tax Act 1961	10												
Q.1 B	<p align="center">OR</p> <p>Mr. Amit, an Indian citizen, has spent the following number of days in India over the past few years:</p> <ul style="list-style-type: none"> • Previous year: 135 days • Three years before that: 240 days each year <p>Determine the residential status of Mr. Amit for the current assessment year 2024-25 under Indian income tax laws.</p>	10												
Q.2 A	<p>Mr. Anil Sharma, an employee in a private company, receives the following salary components from his employer:</p> <ol style="list-style-type: none"> 1. Basic Pay: ₹45,000 per month 2. Dearness Allowance (D.A.): ₹7,000 per month 3. Commission: ₹55,000 per annum 4. Motor Car for personal use (expenses met by the employer): ₹2,000 per month 5. House Rent Allowance (HRA): ₹18,000 per month <p>Determine the amount of HRA exempt in the hands of Mr. Anil Sharma, assuming he pays a rent of ₹20,000 per month for his accommodation in Mumbai. Note that D.A. forms part of salary for retirement benefits.</p>	10												
Q.2 B	<p align="center">OR</p> <p>What is House Rent Allowance (HRA) under the Income Tax Act, and what are the steps to calculate the exempt portion of HRA?</p>	10												
Q.3 A	<p>Mr. Arjun owns five residential properties in India, all of which are let-out. Using the information provided below, determine the Gross Annual Value (GAV) for each house as per the provisions of the Income Tax Act.</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>Particulars</th> <th>House A (₹)</th> <th>House B (₹)</th> <th>House C (₹)</th> <th>House D (₹)</th> <th>House E (₹)</th> </tr> </thead> <tbody> <tr> <td>Municipal Value</td> <td>85,000</td> <td>50,000</td> <td>70,000</td> <td>28,000</td> <td>82,000</td> </tr> </tbody> </table>	Particulars	House A (₹)	House B (₹)	House C (₹)	House D (₹)	House E (₹)	Municipal Value	85,000	50,000	70,000	28,000	82,000	10
Particulars	House A (₹)	House B (₹)	House C (₹)	House D (₹)	House E (₹)									
Municipal Value	85,000	50,000	70,000	28,000	82,000									

	Fair Rent	88,000	65,000	67,000	30,000	79,000	
	Standard Rent	N.A.	70,000	60,000	N.A.	77,000	
	Actual Rent Received	75,000	70,000	62,000	35,000	75,000	
	OR						
Q.3 B	Describe the method of calculating Income from House Property as per the Income Tax Act, covering GAV, NAV, deductions, and taxation. Support your explanation with a suitable example.						10
Q.4 A	Discuss the tax slabs applicable to individuals under both the new and old tax regimes. Compare the key differences between these schemes						10
	OR						
Q.4 B	Explain the concept of Capital Gains under the Income Tax Act, outlining its types. Discuss the criteria for determining capital gains across different asset categories with relevant examples.						10
Q.5	<p>One Liner Questions (Answer any 5 out of 7) Explain the below term. Two Marks Each.</p> <ol style="list-style-type: none"> 1. Union Budget 2. Annual Finance Act 3. Assessment 4. CBDT 5. Circular/Notifications 6. Carry forward of Losses 7. Legal Decisions 						10