647510 **BBAtaxCC6030** **Seat No :________**

B.B.A. Semester - 6 (*CBCS*) Examination
April/May-2022 (OLD COURSE)
TAX PLANNING AND MANAGEMENT(CORE)

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que-1 Write Short notes: (Any two) (14)

1. Advantages of Tax Planning
2. Difference between Tax avoidance and Tax evasion
3. Residential status and Tax Liabilities
4. Nature of Tax planning

OR

Que-1 What is the difference between Tax planning and Tax Management.

Que-2 From the following information of Mr. Kavy Rajput Calculate the taxable amount of capital gain for P.Y. 2018 -19: (14)

Jewellery purchased on 10-3-95 for Rs. 2,09,000 was sold for Rs. 13,52,810 on 2-5-2018. He paid Rs.2000 and Rs.4,500 respectively as brokerage for purchase and sale.

On 3-12-2018, he purchased bonds of National Highway Authority of India (NHAI) Rs. 4,00,000, which are repayable after 5 years.

In the above transactions if he has purchased a residential building for Rs. 6,74,155 instead of bonds of NHAI, then what will be the charge in your answer?

The fair market value of the jewellery on 1-4-2001 was Rs. 4,40,000.

Index:

2001-02 - 100

2018-19 - 280.

OR

Que-2 Shri Shyam has furnished the following particulars of his investments for the year ending 31st March, 2021:

1. Rs. 3,00,000 9% Municipal Debentures.
2. Rs. 3,20,000 7.50% Tax-Free Securities of Indian Govt.
3. Rs. 100,000 7.50% Port Trust Bonds.
4. Rs. 90,000 10% Tax-free Debentures of Jalaram Ltd. (T.D.S. at 10%).
5. Rs. 10,000 6.50% Treasury Savings Deposit Certificates.
6. Rs. 5,000 9% preference Shares of a Company.
7. Rs. 40,000 9% Tax-free Debentures of an X Ltd. Listed on recognized stock exchange in India. (T.D.S at 10%).

He had taken a loan for purchasing tax-free securities of Indian Govt. and paid interest of Rs. 1,840. He also paid Rs. 3000 interest on loan for purchasing debentures of Jalaram Ltd. He paid Rs.260 bank commission for collection of interest and Rs. 30 for collection of Dividend. Compute the taxable income for the A.Y. 2021-22 under the head income from other sources.

Que-3 Sarju has made the following investment during the financial year 2018-19 (Total Gross Income is Rs. 4,75,000): (14)

1. Contribution to recognised P.F	18,000
2. Deposit in public provident fund	50,000
3. Subscription to a deposit scheme of a public sector company engaged in providing long-term finance for construction or purchase of residential house in India	35,000
4. Master equity plan of Unit trust of Indian	6000
5. National saving certificates series ix	20,000
6. Repayment of HDFC housing loan	36,000
7. Tuition fee paid for the education of his child	12,000

Calculate the amount of deduction under section 80C.

OR

Que-3 The total gross income of Shri Sahaj Roy (58 Years of age), for the accounting year 2020-21 amounts to Rs. 6,50,000. Compute the amount of deductions U/s 80C and 80D available from total gross income:

1. Employee's contribution to recognised provident fund [@ 15% of basic salary]	14,500
2. Premium paid on his life insurance policy (taken before1-4-2012) of Rs. 40,000	9,000
3. Paid into public provident fund A/c	75,000
4. Contribution under ULIP of L.I.C.	12,000
5. Investment in the eligible shares of power sector company	23,000
6. Deposit placed with SBI (for 5-year period)	16,000
7. Paid Rs. 35,000 towards Mediclaim Insurance policy of self	

Que-4 The profit and loss Account of a partnership firm for the year ending 31-03-2019 is as follows: (14)

Profit and Loss Account

Particulars	Rs.	Particulars	Rs.
To Cost of goods sold	7,00,000	By Sales	1200,000
To Remuneration to partners	1,25,000	By Rent of House property	45,000
To Interest to partners	30,000	By Interest on Govt. securities	1,35,000
To Rates & Taxes on house property	20,000		
To Mis. Expenses	1,80,000		
To Net Profit	3,25,000		
	13,80,000		13,80,000

Other information:

1. Rs. 8,000 interest to partners is inadmissible.
2. Out of misc. expense, Rs. 12,000 is not deductible.
3. Business losses brought forward from previous years 2017-18, 2016-17 and 2015-16 are Rs. 1,40,000 Rs. 26,000 and Rs. 12,000 respectively.
4. Unabsorbed depreciation brought forward from previous years 2015-16, 2016-17 and 2017-18 are Rs. 12,000 Rs. 52,000 and Rs. 92,000 respectively.

From the above information find out book profit available for remuneration payable to partners and also compute the remuneration payable to partners.

OR

Que-4 Aayu & Co. is a partnership firm where partners Aayu and Siyu share profit and losses equally. Their profit and Loss Accounts for the year ending on 31st March 2019.

Particulars	Rs.	Particulars	Rs.
Cost of Goods sold	8,00,000	Sales	12,20,000
Office Salary	50,000	Interest on Investments	8,000
Interest on loan for purchase of Machinery	35,000	Long-term capital gains	10,000
		Short-term capital gains	15,000
Office rent	26,000	Winning from Lotteries	9,000
Commission to working partner: Aayu	25,000		
Interest on loan to Siyu @ 20% p.a. who is a non-working partner	25,000		
Salary to working partner Aayu	1,25,000		
Salary to non-working partner Siyu	30,000		
Interest on capital @ 21%			
Aayu 19,500			
Siyu 10,500	30,000		
Reserve for bad debts	10,000		
Misc. Expenses	12,000		
Income-tax paid	10,000		
Net profit	84,000		
	12,62,000		12,62,000

Compute the Book Profit for the purpose of partner's remuneration. Also calculate maximum remuneration payable to the partners.

Que-5 What is Return? Explain different types of Return. (14)

OR

Que-5 Write Short notes: (Any two)

1. Re – Assessment
2. Due date of furnishing the Return
3. Tax deduct at source (TDS)
4. Electronic Filing Return

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