647510 **BBA6TpmC602x** **Seat No :________**

B.B.A. Semester - 6 (*CBCS*) Examination
March/April-2023 (NEW COURSE)
Tax Planning & Management (Core (New))

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

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

Q - 1 Shri Tilak Rana has provided the following details for P.Y 2018-19. Compute taxable capital gain for the A.Y 2019 – 20. (14)

Sr. No.	Assets	Date of Sale	Selling Price (Rs.)	Date of Purchase	Purchase Price (Rs.)	Transfer Expenses (Rs.)
1.	Residential House	25-03-19	90,00,000	01-10-95	3,00,000	25,000
2.	RIL Equity Shares	01-03-19	10,00,000	01-09-05	2,80,800	1,000
3.	Personal Motor Car	01-03-19	4,50,000	01-02-14	4,00,000	5,000
4.	Jewellery	28-02-19	39,00,000	01-11-15	31,00,000	30,000
5.	Residential House	-	-	01-2-19	9,00,000	-

The fair market value of the self residential house was Rs. 35,00,000 as on 1-4-2001. The shares of the company were subject to S.T.T.

F.Y	2001-02	2005-06	2013-14	2015-16	2018-19
Index	100	117	220	254	280

OR

Q-1 Pushpendra furnishes following details of his investment for the financial year 2018-19. Calculate her taxable income under the head of Income from other Sources For A.Y. 2019-20.

1. 12% tax free debentures of Shree Ram Ltd. (TDS@10%) Rs. 1,12,500.
2. 8% Tax free Government of India securities Rs. 2,00,000.
3. 9% less tax bonds of Punj Ltd. (TDS@10%) Rs. 50,000.
4. Agricultural Income from land in Punjab Rs. 3,80,000.
5. Agricultural income from land situated in China Rs. 4,50,000.
6. Director fee received from a company as an independent director Rs. 20,000.
7. Dividend received on shares of companies in United Kingdom Rs. 80,000.
8. Dividend received on shares of Dhruv Ltd. Rs. 2,000.
9. Interest on 7% capital Investment Bonds Rs. 7,000.
10. Interest received on 10% tax free debenture of Narmada Ltd. (TDS @10%) Rs. 18,000.
11. Rent received from open plot of land situated in India Rs. 18,000.
12. Rent received from house property Sub- let out Rs. 16,000 (Cost of amenities provided to sub-tenant Rs. 3,000).

Bank commission paid for collection of dividend from Indian companies Rs. 200 and from companies in United Kingdom Rs. 700.

Q-2 Mr. Shyam Yadav has made the following payments during the PY 2018-19; (14)

1. Rs. 6,000 paid by credit card to GIC (General Insurance Corporation) for insuring health of his grandmother dependent on him.
2. Rs. 4,000 paid by cash to GIC for insuring health of his dependent minor daughter.
3. Rs. 18,000 paid by cheque to GIC for insuring health of his spouse (Who is not dependent on him).
4. Rs. 18000 paid by cheque to GIC for insuring his own health.
5. Rs. 8,000 paid by credit card to GIC for insuring health of his dependent major son.
6. Rs. 6,000 paid by credit card to GIC for insuring the health of his dependent minor brother.

7. Rs. 40,000 paid by cheque to GIC for insuring health of his father (aged 65 years) not dependent on him.
8. Rs. 22,000 paid by cheque to another insure (approved by the Insurance Regulatory and Development Authority) for insuring health of his dependent mother.
9. Rs. 500 per month paid to GIC through direct debit to his bank account for insuring the health of his minor son not dependent on him (as the son has his own income for acting in T.V Serials).

OR

Q-2 Shri Sarija Pandey has made the following investment during the previous year 2021-22. Determine the amount of deduction U/s 80c for the assessment year 2022-23.

1. Own contribution to Recognised provident Fund	Rs. 18,000
2. Deposit made in P.P.F A/C	Rs. 80,000
3. Investment under Master Equity plan of UTI	Rs. 14,000
4. Investment in National Savings Certificates	Rs. 20,000
5. Amount deposited in 5 years fixed deposit A/C with state Bank of India	Rs. 25,000
6. Deposit made in post Office saving Bank A/c	Rs. 5,000
7. Investment in kisan Vikas patra	Rs. 11,000
8. life insurance premium paid (self)	Rs. 6,000

Q-3 What is Tax Planning? Explain nature and importance of tax planning. (14)

OR

Q-3 Write Short notes: (Any two)

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

Q-4 Ram & co. is a partnership firm consisting of two partners Ram and Shyam. The following profit and loss Account was submitted by the firm for the year ending 31-03-18. (14)

Profit & loss Account

Particulars	Rs.	Particulars	Rs.
To Cost of goods sold	7,16,000	By Sales	10,96,000
To Office salaries	40,000	By interest on investment	6,000
To Interest on loan for purchase of machinery @ 15%	25,000	By Long-term capital gains	8,000
		By Short – term capital gains	10,000
To Office Rent	22,000	By Winning from lotteries	60,000
To Commissions to working partner Ram	20,000		
To Interest on loan to Shyam 20% p.a. who is a non-working partner	20,000		
To salary to working partner Ram	1,10,000		
To Salary to non-working partner Shyam	26,000		
To Interest on capital @ 20%			
Ram	15,000		
Shyam	10,000		
To Reserve for Bad Debts	6,000		
To Misc. Expenses	10,000		
To Income – tax paid	8,000		
To Net Profit	1,52,000		
	11,80,000		11,80,000

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

OR

Q-4 A firm of solicitors has two partners Niyu and Siyu. They share profit and Losses equally. They presented the following Income and Expenditure Account for the year ended 31-03- 2019.

Income and expenditure A/C

Particulars	Rs.	Particulars	Rs.
Office Expenses	14,00,000	Fees received	24,00,000
Motor car expenses	70,000	Consultation charges	240,000
Depreciation on motor car for 9 month @ 40%	1,80,000	Interest on investment	1,20,000
		Long term capital gain	1,40,000
Stipend to article clerks	4,50,000		
Misc. Expenses	45,000		
Interest on loan from Niyu @ 20%	1,50,000		
Remuneration to partners			
Niyu 1,40,000			
Siyu 2,10,000	3,50,000		
Excess of Income on expenditure	2,55,000		
	29,00,000		29,00,000

Allowable depreciation is 20% p.a. on cost price.

Calculate:

1. Book profit for the purpose of remuneration to partners.
2. Calculation of remuneration allowable to partners.
3. Total income of the firm.

Q-5 What is assessment? Explain different types of assessment. (14)

OR

Q-5 Write Short notes: (Any two)

1. Advance Payment of Tax
2. Types of Return
3. Tax deduct at source (TDS)
4. Permanent Account Number (PAN)

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