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

B.B.A. Semester - 6 (*CBCS*) Examination
March/April-2023 (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.

Q-1 Shri Akshar Rathod provides the following details pertaining to previous year 2017-18. Compute taxable capital gains for the A.Y 2018-19. Cost inflation index for the financial year 2017-18 is 272. **14**

Serial No.	Assets	Date of Purchase	Purchase price	Date of Sales	Sales Price	Transfer charges	Cost inflation Index
1.	Self residential House (Only One)	01-07-90	180,000	31-12-18	49,70,000	15,000	100
2.	Kotak Bank's equity Share	01-08-05	1,20,000	01-01-19	5,15,206	400	117
3.	Tata Ltd's Equity shares	01-02-14	2,20,000	01-02-19	2,26,000	1500	220
4.	Jewellery	01-12-05	15,95,880	31-3-19	51,04,841	10,000	117
5.	Self Residential House (New)	01-01-19	4,48,000	……….	……….	……..	…….

The fair market value of the self-residential house was Rs. 16,00,000 on 1-4-2001. The shares of both the companies were subject to SST on respective dates of Sales.

OR

Q-1 From the following particulars of Income of Smt. Parekh for the ending 31st march 2018, calculate the taxable income under Head 'Income from other sources':

1. Interest received on debentures of A Ltd. 4,500
2. Interest received on listed debentures of B Ltd. (TDS rate 10%) 36,000
3. Interest Received on Rs. 1,00,000 8% Tax-free Relief Bonds of Reserve Bank of India. 8000
4. Interest received on 8% Bonds of Rs. 4,00,000 of IDBI (TDS rate 10%). 28,800
5. Dividend received on Equity shares of C Ltd. And D Ltd. (Rs. 5,370 + Rs. 2,000) 7,370
6. Gross Amount of Interest 26,200

She has paid Rs. 1,900 as interest on loan taken for making investment in debentures of B Ltd.

Q-2 Mr. Shyam Yadav has made the following payments during the previous year 2018-19; Determine the Amount of deduction U/s 80 D. **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 the importance of tax planning? How it is different than Tax Management? **14**

OR

Q-3 Write Short notes: (Any two)

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

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
To Office Rent	22,000	By Short – term capital gains	10,000
To Commissions to working partner Ram	20,000	By Winning from lotteries	60,000
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	2,40,000
Depreciation on motor car for 9 month @ 40%	1,80,000	Interest in investment	1,20,000
Stipend to article clerks	4,50,000	Long term capital gain	140,000
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 or remuneration allowable to partners.
3. Total income of the firm.

Q-5 What is Tax Deducted at Source? Explain TDS in detail. **14**

OR

Q-5 Write Short notes: (Any two)

1. Advance Payment of Tax
2. Forms of Return
3. Types of Assessment
4. Permanent Account Number (PAN)

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