

28/3/14

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SyFM
Taxn for Investment

TIME : 2 Hrs.

MARKS : 60

- Note : 1) All question are compulsory, subject to internal choice.
2) Each question carries 15 marks
3) Use of a simple calculator is allowed

- Q.1 A. Write short notes on Person and Agriculture Income (8)
Q.1 B. Exemption in respect Share of income of a partner from a firm and receipt by a member out of HUF income (7)

OR

- Q.1 A. Write short notes on Assessment and Long Term Capital Gain (8)
Q.1 B. Define Short Term and Long Term Capital Assets (7)

- Q.2 A. (8)

Mr. Kubal, a citizen of USA, came to India for the first time, on his appointment as a Manager of Thomas Cook & Co. on 1st April 2008. On 1st February 2009 he was transferred to Singapore for three years. He comes back to India on 2nd February 2012 and joins his original firm M/s Thomas Cook & Co. as a manager and since then he is in India.

Determine the residential status of Mr Kubal for the assessment year 2009-10 to 2013-14.

- Q.2 B. (7)

Mr. Patel a British citizen had the following income during the Year:

- | | |
|--|--------|
| a) Professional fees received in India. | 55,000 |
| b) Income from house Property in India. | 40,000 |
| c) Interest from Bank accounts in India. | 3,600 |
| d) Income from a business in Sri Lanka which is controlled from India. | 21,800 |
| e) Dividends from British companies received in India. | 6,000 |
| f) Interest on Bank accounts in USA. | 10,000 |
| g) Salary earned and received in Singapore. | 60,000 |

Compute his total income for the A.Y 2013-14, assuming residential status as:

- i) Resident and Ordinary Resident.
ii) Resident but not Ordinary Resident.
iii) Non Resident.

OR

- Q.2 A. (8)

Mr Lal owns a house having two residential units. The construction of the house was completed on 1st April, 2012. These two units are A & B and the relevant particulars are:

	A	B
Area Occupied	Self Occupied	Let Out
	1/3	2/3
	Rs.	Rs.

P.T.O.

Municipal Rateable Value (Rent)	85,000	1,10,000
Municipal Taxes Paid	2,500	5,000
Land Revenue		1,200
Interest on Loan taken for constructing house		24,000
Fire Insurance Claim		1,500
Collection Expenses		500

Unit B was vacant upto 30th June 2012

Ascertain his income from house property for AY 2013-14.

Q.2 B.

(7)

Chetan informs you that the opening WDV of block of machineries in his factory is Rs 4,20,000. During the previous year 2012-13 he has purchased a new machinery for Rs. 1,40,000 in February 2013. The following offers are placed before him. He seeks your advice in respect of each of these offers to know the implication under the tax law.

Rate of Depreciation - 15%

- One old Machinery to be sold at Rs. 1,50,000.
- Some of the old machineries to be sold for Rs 4,50,000.
- The new machinery purchased to be sold at Rs. 2,00,000.
- Some of the old machineries to be sold for Rs. 6,00,000.
- All the machineries to be sold for Rs 4,80,000.
- All machineries to be sold for Rs. 7,50,000.

Q.3 A.

(8)

Shri Patil is a professor in Maharashtra College of Commerce and Economics, Mumbai. The particulars of his income for the year ending 31-3-2013 are:

- He delivered various lectures on the subject in other universities. He received honorarium of Rs 8,400 during the year for the same. He has spent 20% of this sum as incidental expenses for the purpose of delivering these lectures.
- He also acted as an examiner for college examination. He received a remuneration of Rs 2,100 and Rs. 750 as reimbursement of travelling expenses for the same.
- His other income was as under:

(i) Dividend – Companies	Rs. 7,800
Charges debited by the Bank as collection charges	Rs. 100
(ii) Dividends on units of Unit Trust of India.	Rs. 500
(iii) Interest from the bank on Savings a/c and fixed deposits	Rs. 520
(iv) Amount received from giving tuition to students (For which 20% was spent on conveyance)	Rs 30,000

Compute his gross total income for the year.

Q.3 B.

(7)

Shri Niraj gives the following details of his income for the year ended 31st March, 2013:

- Salary from UPL Ltd. Rs. 2,61,000
- Interest on fixed deposits with UPL Ltd. Rs. 55,000 @ 8% p.a.
- Winnings from state government lottery Rs. 10,000.

(d) Dividend from UPL Ltd. Rs. 12,000.

Niraj informs you that the following expenses were incurred by him during the year:

(a) Mediciclaim policy covering Niraj, his wife and his minor children Rs. 12,500.

(b) Niraj also paid LIP of Rs. 11,000 during the year.

Determine the total income of Niraj for A.Y. 2013-14.

Will there be any change in the total income in case of the premium paid on the mediclaim policy is Rs. 16,500?

OR

Q.3 A.

(8)

Mr Jacob, the engineer of Malik Ltd. draws an annual salary of Rs. 1,40,000. His dividend income for the year is Rs. 36,000 and interest from FD with bank is Rs. 34,000. He had paid Rs. 16,000 interest on money borrowed for investment in shares.

He had paid Rs. 22,000 for mediclaim premium as under:

(a) For self and wife Rs. 8,600.

(b) For minor daughter Rs. 2,200.

(c) For son employed in USA Rs. 2,500.

(d) For son studying in USA Rs. 1,700.

(e) For dependent father aged 70 years Rs. 7,000.

He had also deposited Rs. 10,000 in his PPF a/c with Bank of India.

Compute his taxable total income for A.Y. 2013-14.

Q.3 B.

(7)

Sahil owns a estate consisting various house properties. He himself stays in a rented house in another city where he is employed with Samsung Ltd. The relevant particulars relating to this properties ~~and his salary income~~ for year ended 31-3-2013 are:

A) Relevant to properties	Rs.
Actual Rent received	90,000
Gross annual rateable value	84,000
Municipal Taxes	4,000
Fire Insurance Premium	1,200
Collection charges	3,500
Repairs	5,800
Interest on borrowing:	
For construction	35,000

One of the houses having monthly rent of Rs. 1,000 p.m. remained vacant for 6 months. Other relevant particulars:

(i) He had during the year contributed Rs. 7,500 to Jeevan Suraksha of LIC an eligible Pension Fund and Rs. 10,000 was deposited in PPF a/c with SBI.

(ii) He had also paid Rs. 12,000 in cash for a mediclaim policy for self and family

Compute the total income of Sahil for A.Y. 2013-14.

P.T.O.

Q.4 A.

(8)

Milind owns a house, the reasonable letting value of which is Rs. 1,20,000. It is rented to Jayesh at a rent of Rs. 12,000 p.m.. The municipal Taxes are 30% of the reasonable letting value.

Milind has incurred following further expenses in respect of the property:	Rs.
For Repairs	9,000
Collection charges	3,600
Land Revenue (due but not paid)	2,300
Interest for constructing the house.	14,000

Compute his income from House Property for A.Y. 2013-14.

Q.4 B.

(7)

Ms. Mayuri had the following income during the year ended on 31st March, 2013:

- a) Salary received in India for 3 months Rs. 90,000.
- b) Income from house Property in India Rs 1,34,7000.
- c) Interest from Savings Bank accounts in SBI 10,000.
- d) Amount brought to India out of past untaxed profits earned in Korea Rs 2,00,000.
- e) Income from agriculture in Australia being invested there Rs 1,23,500.
- f) Income from a business in Singapore being controlled from India Rs. 1,01,500.

Find out her Gross Total Income , if she is:

- i) Resident and Ordinary Resident in India.
- ii) Resident but not Ordinary Resident in India.
- iii) Non Resident in India.

OR

Q.4 A.

Define Securities Transaction Tax

(8)

Q.4 B.

Write short notes on: Deduction in respect of Life Insurance premium, provident fund under section 80C

(7)