

2022

LAW

**Principles of Taxation Law-I (Direct Taxation)****Paper : 802****[NEW SYLLABUS]**

Full Marks : 80

Time : 3 Hours

*The figures in the right-hand margin indicate full marks.**Candidates are required to give answers in their own words as far as practicable.***Answer Question No. 1 and any five from the rest.**

1. Answer any ten questions from the following :

2×10=20

**(In case of MCQ, choose the correct answer)**

- i) What is Capital Receipts?
- ii) Define the term Surcharge.
- iii) Define the term Agriculture Income.
- iv) Give an idea of TDS.
- v) Define the term Cess.
- vi) Write the provisions of the Income Tax Act, 1961 relating to 'Repairs and insurance of machinery, plant and furniture'.
- vii) Write the provision of the Income Tax Act, 1961 relating to 'exemption of income received by a

*[Turn over]*

- taxpayer in his/ her capacity as a member of the HUF’.
- viii) Define the terms ‘Previous year’ and ‘Assessment Year’.
- ix) MCQ- A person include—
- a) Only HUF and Single
  - b) Only Single
  - c) HUF, Individual, Firm, Company
  - d) Individuals, HUF, Company. Firm, AOP or BOI, Local Authority, Every Artificial Juridical Person
- x) MCQ- Deduction under section 80C to 80U cannot exceed—
- a) Gross Total Income
  - b) Total Income
  - c) Gross Total Income from business or profession.
  - d) Income from house property.
- xi) Write the provisions of the Income Tax Act, 1961, relating to ‘exemption of agricultural income’.
- xii) How many times exemptions can be claimed u/s 10 (5) of the Income Tax Act, 1961?

2. Irfan furnishes the following details of his salary income for the financial year 2021-22:

Basic salary Rs. 50,000 p.m.

Dearness allowance Rs.25,000 p.m.

Children education allowance  
(he has three children) Rs.500 p.m.

Employer's contribution to the recognized provident fund- 10% of basic salary.

Own contribution to the recognized provident fund- 10% of basic salary.

Interest on the accumulated balance of recognized provident fund @ 13% p.a.— Rs. 5,20,000.

Irfan is provided with an unfurnished accommodation in Mumbai for which the employer charges Rs.5,000 p.m. The fair rent of the house is Rs.4,80,000 pa. The house is owned by the employer.

He is also provided with a car (1.8 litre engine capacity) without driver by his employer. All expenses relating to personal use are met by him. The car is used for official as well as for private purposes. Rs. 200 p.m. was deducted from his salary as professional tax.

Compute taxable income from salary of Irfan for the assessment year 2022-23 assuming that he has not

exercised option under section 115BAC. 12

3. Find out the gross annual values of the following houses for the A.Y. 2022-23: 12

	House 1	House 2
Situated at	Kalyani	Howrah
Municipal Value p.a.	Rs. 60,000	Rs. 60,000
Fair Rent p.a.	Rs. 70,000	Rs. 70,000
Standard rent under the Rent Control Act p.a.	Rs. 80,000	Rs. 50,000
Actual rent p.m. as follows:		
-From April 1, 2021 to July 31, 2021	Rs. 5,000	Rs. 6,000
-From October 1, 2021 to February, 2022	Rs. 9,000	Rs. 8,500
For the remaining period, the properties were vacant.		

4. Discuss the provisions of the Income Tax Act, 1961, relating to 'Deduction for the disabled person'. 12
5. Discuss the provisions of the charging section, under Income Tax Act, 1961, relating to 'Profits and Gains of business or profession'. 12
6. Write the provisions of the Income Tax Act, 1961, relating to 'Depreciation'. 12
7. Discuss the provisions of the Income Tax Act, 1961 relating to- (i) Deductions from taxable income

relating to interest paid on loan taken for pursuing higher education, and (ii) Deduction relating to various contributions made as donations. 6+6

8. Write the provisions of the Income Tax Act, 1961 relating to 'deduction allowable towards expenditure on Scientific research'. 12
9. Discuss about Residential Status of an Assessee under Income Tax Act. 12

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