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Total Number of Pages: 02

Course: MBA / MBAP  
Sub\_Code: 18MBA401B / 18PTMBA601B

4th / 6th Semester Regular/Back Examination: 2023-24

SUBJECT: BUSINESS TAXATION

BRANCH(S): BA, BM, FM, FM&HRM, GM, HRM, LSCM, MBA, MBA(M&F), MM, RM, MBAP

Time: 3 Hour

Max Marks: 100

Q.Code: P347

Answer Question No.1 (Part-1) which is compulsory, any eight from Part-II and any two from Part-III.

The figures in the right hand margin indicate marks.

Part-I

Q1 Answer the following questions: (2 x 10)

- What is Tax evasion? Is it legal?
- What is Tax avoidance? Is it legal?
- Who is an assessee? And who is an assessee in default?
- An individual has certain income in a year. In the same year he wants to leave India. How shall his income be assessed?
- An assessee commenced his businesses on, 1<sup>st</sup> June, 2022, 14<sup>th</sup> October, 2023, 3<sup>rd</sup> January, 2024. Determine the previous year and assessment year for the assessee.
- There was a severe train accident last year where more than 200 people died. Many legal heirs of the deceased got compensation from Central Government and state Government. What is the tax liability of a person who is a high income salaried person receiving such compensation on account of the death of his parents in the mishap?
- What is impact and incidence of tax?
- What do you mean by resident but not ordinarily resident?
- Distinguish between professional income and Salary.
- What three important aspects are considered to compute tax liability under GST?

Part-II

Q2 Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve) (6 x 8)

- State various objectives of GST in India.
- Discuss the benefits of Dual GST.
- What are allowances? Discuss the three types of allowances with one example from each type.
- What do you mean by perks? Discuss the perks that are exempted for all employees.
- "Income from Other sources" is an inclusive source of Income. Do you agree with this statement? Mention at least 10 such incomes which come under the purview of this.
- You have purchased certain number of stocks from different companies. You sold some shares within one year of purchase as these are not rising and thus incurred a loss. But there were some share whose holding period was more than one year and gained substantially. Discuss the tax liability and treatment for the loss suffered and income earned.

- g) What is Provident Fund? Discuss the tax treatment for all the four kinds of provident fund schemes available for the employees to subscribe.
- h) What do you mean by voluntary retirement compensation? Discuss the provisions regarding the exemption available to a retired employee.
- i) A landlord has certain income from his house properties. Elaborate the conditions to be satisfied to tax on such income.
- j) A public limited company wants to set up an in-house scientific research facility on a new technology to be adopted by the company to enhance its production and quality. Discuss the tax provisions for the expenditure incurred during the previous year.
- k) Sashidharan owns two buildings A and B on 1.4.2028 (rate of depreciation is 10% and depreciated value is Rs. 14,15,700). He purchases on December 1, 2018 building C for Rs. 3,10,000 (rate of depreciation is 10%) and sells building A during the previous year 2018-19 (on 1.10.2018) for Rs. 8,70,000. Determine the amount of depreciation.
- l) Calculate the Gross Annual Value of the properties owned by Mr. X (resident) from the particulars given below:  
FRV = Rs. 90,000 pa; MRV = Rs. 85,000 pa; Annual Rent = Rs. 75,000 pa and Standard Rent = Rs. 55,000/-

### Part-III

#### Only Long Answer Type Questions (Answer Any Two out of Four)

- Q3** Explain the scope of charging tax on the basis of residential status of an individual of India. **(16)**
- Q4** Discuss the scope of GST and explain the benefits of implementing GST for the business, industry, Government, and consumers. **(16)**
- Q5** What do you mean by capital assets? What are short term capital assets and long term assets? Mention any two assets which do not come under the term Capital assets. **(16)**
- Q6** Write short notes on any two: **(8x2)**
- Agricultural income
  - Cannons of taxation
  - Incomes exempted from tax.