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(6th Semester)

COMMERCE

Paper : BC–604

(Income-Tax Law and Practice)

Full Marks : 70   *Pass Marks* : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(*Marks* : 45)

The figures in the margin indicate full marks for the questions

1. *(a)* What is an Income as per Income-tax Act, 1961? Explain the features of Income.   3+6=9

Or

   (b) Explain the residential status of an Individual as per Income-tax Act, 1961.   9

2. *(a)* What is fringe benefit? Explain as per the provisions of the IT Act related to 'Income from Salary'.   2+7=9

Or

   (b) MRV of a residential house is ₹ 24,000 and actual rent is ₹ 2,500 p.m. During the previous year 2019–2020 the house was vacant for two months. The Municipal taxes are @10% of MRV. During the year, the owner paid ₹ 30,000 as arrears of Municipal taxes. Interest on loan taken for the construction of the house payable to his employer is ₹ 16,000. Compute income from house property.   9

3. *(a)* Discuss tax deduction at sources.   9

Or

   (b) What do you understand by advance payment of Tax? Explain the provisions of the Income-tax Act in respect of advance payment of Tax.   2+7=9

4. *(a)* Explain the procedure of an Appeal to the Commissioner of Income Tax.   9

Or

   (b) State the revisionary power of The Commissioner of Income Tax as mentioned under the Income-tax Act, 1961.   9

(**3**)

5. *(a)* What is CBDT? Explain the powers and functions of the Commissioner of Income Tax. 2+7=9

Or

(b) Who is an ITO? Explain the powers and functions of an ITO in the context of Income-tax Authorities under the Income- tax Act, 1961. 2+7=9

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(6th Semester)

COMMERCE

Paper : BC–604

(Income-Tax Law and Practice)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

1. Choose and write the correct answer from the options provided : 1×10=10

(a) Every assessee is a person and

   (i) every person is also an assessee

  (ii) every person need not be an assessee

 (iii) an individual is always an assessee

 (iv) A HUF is always an assessee

(b) Residential status is to be determined for

   (i) accounting year

  (ii) assessment year

 (iii) previous year

 (iv) All of the above

(c) An income earned from winning lottery is computed under

    (i) income from salary

    (ii) income from house property

    (iii) income from profession

    (iv) income from other sources

(d) Income from business and profession comes under

    (i) Section 18 to 25

    (ii) Section 28 to 44

    (iii) Section 22 to 28

    (iv) Section 43 to 56

(e) Under the IT Act, winning from lottery, puzzle or games must deduct tax at the rate of

    (i) 35%

    (ii) 70%

    (iii) 30%

    (iv) 20%

(f) Payment of Advance Tax by an Individual Assessee on or before 15th December should be

    (i) not less than 60%

    (ii) not less than 30%

    (iii) not less than 90%

    (iv) not less than 100%

(g) "Appeal by a person denying liability to deduct tax" is under which Section of IT Act?

   (i) Section 247

   (ii) Section 248

   (iii) Section 250

   (iv) Section 252

(h) Order of Appellate Tribunal comes under

   (i) Section 248

   (ii) Section 230

   (iii) Section 234

   (iv) Section 262

(i) CBDT is created under the Central Board of

   (i) Revenue Act, 1961

   (ii) Income-tax Organization Act, 1961

   (iii) Revenue Act, 1963

   (iv) Income-tax Act, 1961

(j) The person with whom an assessee comes into direct contact is

   (i) Commissioner of Income Tax

   (ii) Director of Income Tax

   (iii) Joint Commissioner of Income Tax

   (iv) Income-tax Officer

(**4**)

2. State whether the following statements are *True* or *False* :   1×5=5

(a) A person may not have assessable income but may still be assessee.

(b) For computation of House Rent Allowance, salary means basic pay only.

(c) TDS is not a method of collection of taxes.

(d) Section 260 (B) of Income-tax Act, states about Appeal to High Court.

(e) Income-tax authorities have been constituted under Section 116 of the Income-tax Act, 1961.

3. Write short notes on the following :   2×5=10

(a) Tax Avoidance

(b) Gross Total Income

(c) Gratuity

(d) Persons

(e) Appeals

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