



Bc/ITLP-604

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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) Define income tax. Briefly explain tax planning and describe the methods of tax planning. 2+7=9

Or

- (b) What is tax incidence? Discuss the incidence of tax for different types of residential status. 2+7=9

2. (a) Briefly explain the capital gains which are exempted from tax.

9

Or

- (b) Determine the net annual value of Mr. Sarkar, a resident in the following cases :

	House-1 ₹	House-2 ₹	House-3 ₹
Expected fair rent	84,000	84,000	84,000
Municipal value	72,000	72,000	72,000
Standard rent	80,000	90,000	78,000
Actual rent received/ receivable if property remains let out	1,20,000	1,40,000	1,80,000
Unrealized rent	30,000	72,000	72,000
Local taxes borne and paid by owner in previous year	6,000	12,000	18,000

3. (a) What is tax deduction at source?
Explain the deduction of tax at source with regard to salaries.

2+7=9

Or

- (b) What is Advance Payment of Tax?
Explain the benefits of paying Advance Tax.

2+7=9

4. (a) Discuss briefly the procedure of an appeal to the Commissioner (Appeals). 9

Or

- (b) What are the provisions regarding revision of order by the Commissioner of Income Tax?

5. (a) State the constitution, power and authority of the Central Board of Direct Taxes. 9

Or

- (b) Explain the classes of income tax authorities and the procedure of appointment of income tax authorities.

5+4=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. Indicate whether the following statements are True (T) or False (F) by putting a Tick (✓) mark :

1×5=5

- (a) Assessee is always a person but a person may or may not be an assessee.

(T / F)

- (b) Every deductor is required to obtain a unique identification number called TAN.

(T / F)

- (c) Appealable orders before Commissioner come under Section 246A.

(T / F)

- (d) CCIT expands as Central Council of Direct Taxes.

(T / F)

- (e) Deduction for medical insurance premium on life is applicable u/s 80D.

(T / F)

2. Choose the correct answer and place its code in the brackets provided :

1×10=10

- (a) The aggregated income from all heads of income is called

- (i) annual income
- (ii) net income
- (iii) gross total income
- (iv) None of the above

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(b) Income from business and profession comes under

(i) Sections 18 to 25

(ii) Sections 28 to 44

(iii) Sections 22 to 28

(iv) Sections 43 to 56

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(c) Under which Section of the Income-tax Act, 1961, Advance Ruling is defined?

(i) Section 265(b)

(ii) Section 245N(a)

(iii) Section 240

(iv) Section 243(a)

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(d) The year which is taxable is called

(i) Assessment Year

(ii) Current Year

(iii) Previous Year

(iv) None of the above

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(e) Which of the following is not a part of total income computation?

(i) Salary

(ii) House property

(iii) Capital gain

(iv) Lottery prize

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(f) Which of the following is not an income taxable as income from other sources?

(i) Casual income

(ii) Family pension

(iii) Director's sitting fee

(iv) Legal fee

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(g) Which of the following incomes is exempt from tax?

(i) Dividend received

(ii) Money received by a member from HUF

(iii) Salary income

(iv) House property income

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(h) Residential status to be determined for

(i) Previous Year

(ii) Assessment Year

(iii) Accounting Year

(iv) Financial Year

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(i) Appeal by person denying liability to deduct tax is mentioned under

(i) Section 248

(ii) Section 245

(iii) Section 238

(iv) Section 240

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(j) ITO stands for

- (i) Indian Tax Officer
- (ii) Income Tax Organization
- (iii) Income Tax Officer
- (iv) International Tax Office

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3. Write short notes on the following:

2×5=10

(a) Ordinary resident

(b) Previous year

(c) Tax planning

(d) Provident fund

(e) Assessment Year

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