

Reg. No. :

Name :

Seventh Semester B.A. LL.B/B.Com LL.B./B.B.A. LL.B. (Five Year Integrated) Degree Examination, March 2021

Paper III – PRINCIPLES OF TAXATION LAW

Time : 3 Hours

Max. Marks : 80

PART – I

Answer any **five** of the following. Each question carries **2** marks. Answer should not exceed **50** words.

1. How to compute the total tax liability?
2. What is rebate under section 87a and who can claim it?
3. What is gross total income?
4. What are allowances?
5. What is the taxability of HRA?
6. Explain the concept Tax Deductible at Source.
7. Explain Scrutiny Assessment.

(5 × 2 = 10 Marks)

PART – II

Answer **any four** of the following. Each question carries **4** marks. Answer should not exceed **120** words.

1. Explain Clubbing of income.
2. What are the provisions relating to computation of capital gain in case of transfer of asset by way of gift, will etc.?

3. When relief under section 89 is available?
4. What is self assessment tax?
5. Can a return be filed after due date?

(4 × 4 = 16 Marks)

PART – III

Answer **any four** of the following. Each question carries **6** marks.

1. Mr x having gross salary of Rs 70,00,000 during the py 2019-20. Compute the standard deduction allowable to him.
2. While computing income chargeable to tax under the head “Income from house property” in case of a let-out property, how much interest on housing loan can be deducted.
3. Mr X has sold a house which has been purchased by him 5 years ago. Explain whether he required to pay any tax on the profit received on such sale.
4. Can income from asset transferred to sons wife without adequate consideration be clubbed with the income of the transferor ie father in law or mother in law. Advice.
5. Mrs. Kumar is beneficially holding 25% equity shares of SM Construction Pvt Ltd. Mr. Kumar is an architect and he is employed as site observer of one of the construction sites of the SM Construction Pvt. Ltd. at a monthly salary of Rs. 28,400. The remuneration received by Mr. Kumar is justifiable considering his knowledge, experience and qualification. Will the remuneration received by Mr. Kumar be clubbed with the income of Mrs. Kumar because she is having substantial interest in SM Construction Pvt. Ltd.?

(4 × 6 = 24 Marks)

PART – IV

Answer **any three** of the following. Each question carries **10** marks.

1. Explain incomes that are treated as incomes deemed to have accrued or arisen in India.
2. Who is compulsorily required to get his account audited?
3. Which incomes are charged to tax in India in the hands of tax payer?
4. Explain the importance of Wealth Tax in India.

(3 × 10 = 30 Marks)