

**BACHELOR OF COMMERCE [HONS]
FOURTH SEMESTER
PERSONAL TAX PLANNING AND TAX MANAGEMENT
BCM – 404B**

**SET
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

(Objective)

Marks: 20

Choose the correct answer from the following:

1 × 20 = 20

1. Return of Income must be furnished on or before the due date as per the part of:-
 - a. Tax evasion
 - b. Tax planning
 - c. Tax avoidance
 - d. Tax management
2. Which of the following is an example of tax planning?
 - a. Filling tax returns on time
 - b. Keeping accurate records on income and expenses
 - c. Investing in tax-efficient investment options
 - d. Paying taxes at the highest possible rate.
3. The total income of a non-domestic Company is taxable at the rate of :-
 - a. 20%
 - b. 30%
 - c. 40%
 - d. 35%
4. Which of the following income is not included in the term 'Income'?
 - a. Profit and gain
 - b. Dividend
 - c. Reimbursement of travelling expenses
 - d. Profit in lieu of salary
5. Income Tax Act contains _____ section.
 - a. XIV
 - b. 297
 - c. XV
 - d. 298
6. Income deemed to be received in India is given u/s :-
 - a. 10
 - b. 7
 - c. 12
 - d. 5
7. Pick up the correct one:-
 - a. Assessment year & Previous year are same concepts
 - b. Assessment year is the year next to the Previous year
 - c. Previous year is the year next to the assessment year.
 - d. None of the above
8. Income of Non Resident from shipping business in India is taxed
 - a. 40% + SC + HEC
 - b. 30% + SC + HEC
 - c. 50% + SC + HEC
 - d. 60% + SC + HEC
9. There are _____ heads of Income under Income Tax Act. 1961.
 - a. four
 - b. six
 - c. five
 - d. None of the above

10. Salary received by a partner from the firm in which he is a partner is taxable under the head:-
- | | |
|------------------------------|--|
| a. Income from salary | b. Capital gains |
| c. Income from other sources | d. Profits and gains of business or profession |
11. Calculate the Gross Annual Value from the following details: Municipal Value – Rs 45,000; Fair rent – Rs. 50,000; Standard Rent – Rs. 48,000; Actual Rent –Rs. 42,000.
- | | |
|---------------|---------------|
| a. Rs. 48,000 | b. Rs. 50,000 |
| c. Rs. 45,000 | d. Rs. 42,000 |
12. In term of section 24(42A), listed securities are treated as long –term capital asset, if they are held for a period of more than,
- | | |
|--------------|--------------|
| a. 12 months | b. 6 months |
| c. 24 months | d. 48 months |
13. Tax rate on income from winning from lottery is:-
- | | |
|--------|--------|
| a. 10% | b. 30% |
| c. 40% | d. 20% |
14. _____ refers to hedging of Tax.
- | | |
|-------------------|------------------|
| a. Tax planning | b. Tax evasion |
| c. Tax management | d. Tax avoidance |
15. Tax deduction available to certain industries for the initial few years is called _____
- | | |
|----------------|------------|
| a. Tax Holiday | b. Tax |
| c. TDS | d. Advance |
16. A company carries forward the eligible tax credit under MAT for a maximum of _____.
- | | |
|-------------------------|---------------------------|
| a. Five assessment year | b. Eight assessment year |
| c. Ten assessment year | d. Twelve assessment year |
17. What is Tax Management?
- | | |
|--------------------------|---|
| a. Preparing tax returns | b. Finding legal ways to reduce tax liability |
| c. Paying taxes on time | d. None of the above |
18. CBDT stands for:-
- | | |
|------------------------------------|-------------------------------------|
| a. Central Bureau of Direct Taxes | b. Central Board of Direct Taxes |
| c. Citizen’s Board of Direct Taxes | d. Citizen’s Bureau of Direct Taxes |
19. Interest on securities would attract TDS under Section 193 @ _____.
- | | |
|---------|-----------------------|
| a. 5% | b. 10 % |
| c. 20 % | d. None of the above. |
20. What is tax recovery?
- | | |
|---|---|
| a. The process of collecting taxes owed by individuals or business. | b. The process of reducing taxes owed by individuals or business. |
| c. The process of appealing a tax decision made by the government. | d. The process of paying taxes in advance to avoid penalties. |

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(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. What is Tax Planning? Write down the advantages of Tax planning. 2+8=10
2. Write down the meaning of Tax Evasion and Tax Avoidance. Differentiate between Tax Avoidance and Tax Evasion. 2+8=10
3. Explain the basic aspects of Tax planning for Non-Resident Indian (NRI). 10
4. What is the relevance of Residential Status? What is the broad tax planning procedures pertaining to Residential Status? 2+8=10
5. From the following particulars relating to the house property of Sri Babulal Sharma for the previous year 2021-2022, Compute the Net Annual value: 10

Municipal Value	Rs. 30,000 p.a.
Standard Rent	Rs. 27,000 p.a.
Fair Rent	Rs. 33,000 p.a.
Actual Rent	Rs. 3,000 p.m.
Date of Completion	30 th June, 2021
Date of letting out	1 st August, 2021

Municipal Tax paid by the owner Rs. 1000 during the year
Municipal Tax paid by the tenant Rs. 500 on 25-3-2022.
6. Sri Naba Gopal Bhadra sold his old house in April, 2018 for Rs. 25, 20,000. Long -term capital gain arising on transfer of old house amounted to Rs. 8, 40,000. In December, 2018 he purchased another residential house worth RS. 10, 00,000. The new house was, however, sold in April 2019 for Rs. 12, 00,000 (Stamp Duty Value of the new house was Rs. 10, 00,000.) Ascertain the taxable amount of capital gains in the hands of Sri Naba Gopal Bhadra for the assessment year 2019-20 and 2020-21. 10
7. a) What is Tax Deducted at Source (TDS) in Income Tax? When should TDS be deducted and who is liable to deduct? 2+3+5=10
b) How to file TDS return online? Explain.
8. Discuss the power of Income Tax Authorities. What are the objectives of conducting Income Tax surveys? 10

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