

Reg. No. :

Name :

**V Semester B.B.A. Degree (C.B.C.S.S. – O.B.E. – Regular/Supplementary/
Improvement) Examination, November 2025
(2019 to 2023 Admissions)**

**Core Course
I – FINANCE**

5B13 BBA : Income Tax Law and Practice

Time : 3 Hours

Max. Marks : 40

SECTION – A

Answer the **six** questions. **Each** question carries **1** mark.**(6×1=6)**

1. Define 'Assessee'.
2. What is casual income ?
3. Explain the residential status of a firm.
4. List any two tax-free perquisites.
5. What is short term capital gain ?
6. What is the deduction available u/s 80U ?

SECTION – B

Answer **any six** questions. **Each** question carries **2** marks.**(6×2=12)**

7. What is tax slab (old regime) for an individual for the assessment year 2024-25 ?
8. Define the term 'assessee in default'.
9. What is the exemption available in the case of children education allowance and children hostel allowance ?
10. Explain the conditions of claiming deduction u/s 24(b) in the case of self-occupied property.
11. What is long-term capital gain ? How it is computed ?
12. What is bond washing transaction ?
13. Give a brief note on rebate of income tax u/s 87 of Income Tax Act.
14. Write any six items taxable under the head income from other sources.

P.T.O.

K25U 2458

-2-

SECTION – C

Answer **any four** questions. **Each** question carries **3** marks.**(4×3=12)**

15. What is agricultural income ? In what manner agricultural income integrated into non-agricultural income for tax determination ?
16. Mr. Varun resides in Chennai. He is paid ₹ 3,80,000 as basic salary. He also gets ₹ 1,20,000 as house rent allowance. The rent paid by him is ₹ 95,000. Calculate exempt and taxable house rent allowance.
17. Determine the annual value of house of Mr. Subhash for the A.Y. 2024-25.

	₹
Municipal value	1,50,000
Fair rent	1,70,000
Actual rent per month	15,000
Municipal tax paid by landlord 10% of M.V.	
Unrealised rent	25,000

18. Mr. Ramesh purchased a piece of land on 4-3-1999 for ₹ 50,000. This land was sold by him on 10-12-2023 for ₹ 25,00,000. The market value of land as on 1-4-2001 was ₹ 2,00,000. Expenses on sale were 2% of transfer price. Compute the capital gains (taxable) for the Assessment Year 2024-25. Assume the Cost Inflation Index for 2023-24 to be 348.

19. Mr. P's investment during the year ended 31st March, 2024 consisted of the following :

	₹
a) 7% Government Securities	25,000
b) 8% Agra Municipal Bonds	15,000
c) 9% Bombay Port Trust Bonds	20,000
d) 7% Government Bonds	18,000
e) 6% Securities of a Foreign Government	15,000
f) Interest credited to Sukanya Samridhi A/c	3,000

Compute his income under the head "Income from other sources".

K25U 2458

-3-

K25U 2458

20. From the following particulars in respect of Mr. X, a disabled; compute his total income for the Assessment Year 2024-25.

- i) Salary of Mr. X is ₹ 4,90,000.
- ii) He deposited ₹ 20,000 in Unrecognised Provident Fund.
- iii) He paid life insurance premium ₹ 45,000 on a policy (issued on 15.06.2014) of ₹ 4,00,000.
- iv) He donated ₹ 20,000 to National Children's Fund by cheque.

Compute his total income for the Assessment Year 2024-25.

SECTION – D

Answer **any two** questions. **Each** question carries **5** marks.**(2×5=10)**

21. Explain clearly the deductions that are expressly allowed in computing business income under Income Tax Act, 1961.
22. Dr. Satish is a Medical Practitioner. He gives you the following summary of cash book for the year ending 31.03.2024.

	₹		₹
To balance	10,000	By rent of clinic	18,000
To consultation fee	60,000	By purchase of medicines	20,000
To visiting fee	45,000	By staff salaries	24,000
To gifts and presents	8,000	By surgical equipments	40,000
To sale of medicine	42,000	By motor car expenses	8,000
To dividend from UTI (gross)	6,000	By purchase of motor car	1,40,000

K25U 2458

-4-

To life insurance maturity	1,00,000	By household expenses	7,000
To interest from NSC	6,000	By balance	20,000
	2,77,000		2,77,000

Following further information are given :

- 1) 50% of the motor-car expenses incurred in connection with the profession. Car was purchased in December 2023.
- 2) Household expenses include ₹ 6,800 for life insurance premium.
- 3) Gifts and presents include ₹ 3,000 from relations.
- 4) Closing stock of medicine ₹ 12,000 and on 1.4.2023, opening stock was ₹ 4,000.

Compute his income from profession for the Assessment Year 2024-25.

23. From the following particulars compute the total income and tax liability of Mr. Raj Kumar, who is 70 years old and disabled, for the assessment year 2024-25.

	₹
Income from house property (computed)	70,000
Income from business of profession	10,10,000
Short-term capital gains	10,000
Long-term capital loss in respect of assets	15,000
Bank interest on deposits	14,000

24. Briefly explain about deemed incomes and their taxability.