M.Com. (Semester – III) Examination, November 2018
CO03A1N : CORPORATE TAX PLANNING & MANAGEMENT (OA – 18)

Duration : 3 Hours | Max. Marks : 60

Instructions : *1) This paper consists of **nine** questions carrying **equal** marks.*
*2) Question No. **1** consists of **5 compulsory** questions of **2** marks **each**.*
*3) Answer **any 5** questions from question **2, 3, 4, 5, 6, 7, 8** and **9**.*
*4) **Each** question carries **10** marks. Figures to the **right** indicate marks.*

1. Answer the following questions in brief : (5×2=10)
   a) How to determine the residential status of HUF ?
   b) What are the conditions for claiming additional depreciation ?
   c) What is the difference in computation of let out and self-occupied house property ?
   d) Mr. Kaushik receives the following gifts during the previous year 2017 – 18. Compute the amount chargeable to tax in his hands for the assessment year 2018 – 19.

   Kaushik receives gift of Rs. 40,000 from his friend Vikram on 10th April 2017.

   He receives another gift of Rs. 10,000 from Chitra, who is cousin of his father on 20th July 2017.

   On the occasion of his marriage, he gets Rs. 1,00,000 as gift on 24th July 2017 from his office colleagues.

   On 10th October 2017, he purchases a house property from his friend for Rs. 45,000 (Market value of the property is Rs. 7,00,000).

   e) Ms. Yuela is employed in a multinational company at Delhi for a salary of Rs. 1,00,000 per month. Value of her taxable perquisite is Rs. 1,60,000 for the year. She pays profession tax of Rs. 2,500 per year. Compute her salary income for the A.Y. 2018 – 19.

2. Explain the following deductions from gross total income under Section 80C and 80D.

3. What are the different types of returns filed by an assessee ? What are its due dates ?

4. What tax planning aspects to be taken into consideration while setting up of a new business ?

5. What are perquisites ? Explain the valuation of any 2 perquisites in the hands of employees.

6. Ms. Katrina has 2 houses, both of which are self-occupied. The particulars are as under :

Particulars	**House – I**	**House – II**
Municipal Value	60,000	90,000
Fair rent	72,000	1,20,000
Standard rent	–	1,00,000
Date of completion	1.1.1994	1.10.1994
Municipal taxes	6,000	9,000

Suggest which house should be opted by Ms. Katrina to be assessed as self-occupied so that her tax liability is minimum.

7. Mr. Gourish sells his house property acquired in 1990 for Rs. 2.5 Lakhs, for a consideration of Rs. 107 Lakhs in September 2017. Cost of improvement incurred for this property in June 1990 was Rs. 3 Lakhs and in July 2003 was Rs. 2.8 Lakhs. Expenses incurred for effecting sale is Rs. 1 Lakh. He acquired a new house property during January 2018 for a consideration of Rs. 9 Lakhs. Compute the taxable capital gains by assuming that the fair market value as on 1st April 2001 is at Rs. 7.5 Lakhs.

Sl. No.	**Financial Year (FY)**	**Assessment Year (AY)**	**Cost Inflation Index**
1	2001 – 02	2002 – 03	100
2	2002 – 03	2003 – 04	105
3	2003 – 04	2004 – 05	109
4	2004 – 05	2005 – 06	113
5	2015 – 16	2016 – 17	254
6	2016 – 17	2017 – 18	264
7	2017 – 18	2018 – 19	272
8	2018 – 19	2019 – 20	280

8. Ms. Radha submits the following information relevant for the previous year ending 31st March 2018 :

Particulars	Rs. (Amont)
Profit of business A carried on in India	90,000
Loss of business B carried on in India	– 30,000
Profit of business C carried on in London (income is earned and received in London and business is controlled from London)	1,15,000
Loss of business D carried on in London (though the profits are not received in India, but business is controlled from Agra)	– 46,000
Unabsorbed depreciation of business D	63,000
Income from property situated in India	22,000
Income from property situated in London (received in London)	1,00,000

Determine the net income of Ms. Radha for the assessment year 2018 – 19 on the assumption that she is

a) Resident and ordinarily resident in India

b) Resident but not ordinarily resident in India

c) Non-resident in India.

9. The depreciated value of a block of assets (conisting of Plant A and Plant B) is Rs, 1,30,000 on 1st April 2017. (Plant A – Rs. 1,00,000 and Plant B – Rs. 30,000). Depreciation rate is 20%. The following information is available :

Asset	Rate of Depreciation	Date of Purchase	When it is put to use	Actual Cost
Plant C	20	15th March 2017	10th April 2017	20,000
Plant D	20	10th May 2017	3rd December 2017	30,000
Plant E	20	6th June 2017	6th June 2017	60,000
Plant F	20	1st April 2018	31st May 2018	40,000

Plant A is sold on 16th August 2017 for Rs. 1,00,000. Compute the depreciable value of the block as on 1st April 2018.