

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com.(Hons) Summer 2018 – 19 Examination

Semester: 6

Subject Code: 16101351

Subject Name: IT Return & E-Filing

Date: 08/04/2019

Time: 10:30 am to 1:00 pm

Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**A) Multiple choice type questions. (Each of one mark)****(06)**

1. What is the rate of surcharge applicable to individuals having total income exceeding Rs 1cr.

a)15%	b)10%
c)12%	d) 2%
2. The return of company has to be verified by _____.

a) Managing director	b) General manager
c) Secretary	d) Manager
3. The due date of filling of return for a company with a business loss of Rs. 1,30,000 is?

a)31 st July	b) 30 th September
c)31 st October	d)31 st august
4. The rate of TDS on rental payments of plant and machinery or equipment is _____.

a)2%	b)5%
c)10%	d)1%
5. What is rate of TDS u/s 194BB?

a)10%	b)5%
c)30%	d)20%
6. What is rate of TDS u/s 194D?

a) 2%	b)5%
c)10%	d)30%

B) Definitions / One-liners / Terms. (Each of one mark)**(06)**

1. What is PAN?
2. What is the tax slab for senior citizen above 60years?
3. What is fee for default in filling the return?
4. What is penalty for not complying with the provisions relating to the pan?
5. Who is beneficial owner?
6. Who is beneficiary?

Q.2 Numerical / Short Note Questions. (Each of 04 mark)**(12)**

1. Explain belated return and revised return.
2. What are the due dates of submitting the TDS quarterly statement?
3. Examine the TDS implications under section 194A in the cases mentioned hereunder:-
 - (i) On 1.10.2018, Mr.Y made a six-month fixed deposit of Rs.10,00,000 @ 9% p.a. with ABC co-operative Bank. The Fixed Deposit matures on 31.03.2019.
 - (ii) Interest paid to UCO bank of Rs.41,000 for AY 18-19.

Q.3 Answer the following. (Any Three)**(18)**

1. Miss Rose an American national got married to Mr. Radhey of Indian in USA on 3.03.2018 and came to India for the first time on 16.03.2018. She Left for USA on 19.10.2018. She returned to India again on 28.03.2019. While in India, she had purchased a show room in Mumbai on 22.04.2018, which was leased out to a company on a rent of Rs.25000 p.m. from 1.05.2018. She had taken loan from a bank had charged interest of Rs.97,500 upto 31.03.19. She had received following gifts from relative and friends during 1.04.2018 to 31.03.2019:

- From parents of husband Rs.51,000
- From married sister of husband Rs.11,000
- From friends Rs.1,51,000 & Rs21,000 Rs.1,72,000

Determine her residential status and compute the total income chargeable to tax along with the amount of tax payable on such income for the assessment year 2019-20.

2. Mr.Y furnishes the following information for the year end 31-03-2019:

Particulars	Rs.
Income from business	(1,35,000)
Income from house property	(15,000)
Lottery Winning (Gross)	5,00,000
Speculation business income	1,00,000
Income by way of salary (Computed)	60,000
Long term capital gain u/s 112	70,000

Compute his total income tax liability.

3. Examine the TDS implications under section 194DA in the cases mentioned hereunder:-

(i) Mr. A, a resident, is due to receive Rs,5,50,000 on 31.03.2019 on LIC policy taken on 28.02.2012, for which sum assured is Rs.5,00,000 and annual premium is Rs. 70,000.

(ii) Mr. B, a resident, is due to receive Rs,1,50,000 on 31.03.2019 on LIC policy taken on 25.07.2013, for which sum assured is Rs.1,00,000 and annual premium is Rs. 11,000.

4. Mr.X, a salaried individual, pays rent of Rs. 55000 per month to Mr.Y from June, 2018. Is he required to deduct tax at source? If so, when is he required to deduct tax? Also, compute the amount of tax to be deducted at source.

Would your answer change if Mr.X vacated the premises on 31st December, 2018?

Also what will be your answer if Mr.Y does not provide his PAN to Mr.X?

Q.4 Answer the following. (Any two)**(18)**

1. Mr.X sold his property in Bangalore as well as his rural agricultural land for a consideration of Rs.60 lakhs and Rs. 15 Lakh, respectively, to Mr.Y on 1.8.2018. He has purchased the house property and the land in the year 2017 for Rs.40 lakh and Rs.10 lakh, respectively. The stamp duty value on the date of transfer, i.e. 1.8.2018, is Rs.85 lakh and Rs.20 lakh for the house property and rural agricultural land respectively. Examine the tax implications in the hands of Mr.X and Mr.Y and the TDS implications, if any, in the hands of Mr.Y, assuming that both Mr.X and Mr.Y are resident Indians.

2. Examine the TDS implications in the cases mentioned hereunder with the applicable sections:-

(i) AB de Villiers, an south African cricketer, earns Rs. 35,000 by contributing in a news paper article.

(ii) Mr.X paid Rs. 70,000 to Mr.Y on account of a contract work.

(iii) Payment made by a company to sub-contractor Rs.3,00,000 with outstanding balance of Rs.1,20,000 shown in the books as on 31.09.2019.

(iv) Winning from horse race Rs,1,50,000.

(v) Rent paid for hire of machinery by B Ltd. to Mr.Raman RS. 2,10,000.

3. Certain concessions are granted to transport operators in the context of cash payments under section 40A (3) and deduction of tax at source under section 194-C. Explain.