BCO-307

Sl.No. :

Total No. of Pages : 4

Third Year B.Com. Degree Examination, Oct./Nov. - 2025

(SLM Scheme)

INCOME TAX

Time : 3 Hours **Max. Marks : 80**

PART - A

Answer any Four Questions. Each Question carries 5 Marks. [4 × 5 = 20]

Q1) Write a note on Canons of Taxation.

Q2) List out any Ten Taxable allowances under salary.

Q3) Write a note on bond washing transaction.

Q4) Distinguish between Capital expenditure and Revenue expenditure.

Q5) List any ten exempted incomes under section 10 of IT Act.

Q6) State the rated of tax of an individual for the assessment year 2025-26 under new tax regime.

PART - B

Answer any Three Questions. Each Question carries 10 Marks. [3 × 10 = 30]

Q7) State expressly allowable debentures under section 30 to 37 of Income Tax Act.

Q8) What is assessment? Explain the different types of assessment.

Q9) From the following information of Mr. Ramesh (Resident) Compute total income and tax liability under old regime for the A.Y. 2025-26

i) Rent from house property (Computed) ₹l,20,000

ii) Income from business (Computed) ₹1,92,000

iii) Income from other sources

He makes payment towards:

a) Life Insurance Premium ₹2,00,000

b) Donation to Prime Minister National relief fund ₹18,000

c) Interest on education loan on his son ₹9,500

d) Medical insurance premium on his health ₹l5,000

Q10) Smt. Jaya is the owner of a house at Agra, particulars in respect of which for the year ended 31st March, 2025 are as below:

i)	Actual rent received	₹10,000pm.
ii)	Municipal valuation	₹8,000pm.
iii)	Fair rent	₹7,000pm.
iv)	Standard rent	₹6,000pm
v)	Total Municipal Tax	₹2,500 for the year
vi)	Municipal Tax paid by Smt. Jaya	₹1,250 for the year
vii)	Municipal Tax paid by the tenant	₹1,250 for the year
viii)	Repair charges	₹3,000
ix)	Interest on Loan	₹10,000

Compute taxable income from house property.

Q11) Mr. Bhadra has the following incomes during year ending 31st March, 2025

i) Let out income of vacant land ₹12,000
ii) Dividend received from Domestic company on 31.05.2024 ₹5,000
iii) Income tax refund ₹18,000
iv) Interest received on government securities ₹20,000
v) Gift received from a friend ₹40,000
vi) Winning from Card game ₹50,000
vii) Royalty received ₹20,000

Compute the Income from other sources of Mr. Bhadra for the assessment year 2025-26.

PART - C

Answer any Two Questions. Each Question carries 15 Marks. [2 × 15 = 30]

Q12) Mrs. Smitha is working as sales executive in Maruthi Suzuki Ltd. Kolkdata and his salary details are as follows for the previous year 2024-25

i) Basic salary ₹ 21,000 per month
ii) Bonus equal to two months basic salary
iii) Commission 3% on sales (During the year the sales targeted of ₹ 5,00,000)
iv) Dearness allowance of ₹ 7,000 per month (Eligible for Retirement benefits)
v) Medical allowanced ₹1,400 per month (Medical expenses ₹15,000)
vi) Children Hostel Allowance for her two children ₹500 per month per child.
vii) Children Education allowance for her two children ₹400 per child
viii) RPF contribution by the company ₹6,000 per month

ix) RPF contribution by employee ₹5,000 per month

x) Interest credited on RPF 11% ₹44,000

xi) She has been provided rent free furnished house owned by company in Mumbai and cost of furniture provided ₹60,000

xii) Mrs. Smitha paid her professional tax ₹2,400pa. Compute taxable income from Salary for the AY 2025-26.

Q13) Dr. Rajesh, a medical practitioner, furnishes his Receipts and payments account for the PY 2024-25. Compute income from profession.

Receipts	**₹**	**Payments**	**₹**
Balanced b/d	15,000	Purchase of Professional Books	20,000
Examiner's fees	10,000	Membership fees of medical association	8,000
Visiting Fees	30,000	Household expenses	15,000
Sale of Medicines	2,20,000	Rent of Clinic	
Consultation fees		2023-24	12,000
2023-24	16,000	2024-25	20,000
2024-25	64,000	1st installment of car purchased (out of total of five installments)	50,000
Salary as a part time lecture in medical college	15,000	Income tax	40,000
Gifts received from patient	18,000	Electricity, water etc	32,000
Retainer fees from G Ltd	9,000	Car Expenses	30,000
Interest on Post office SB A/c	6,000	Medicine purchased	80,000
Interest on Govt. Securities	12,000	Salary to staff	30,000
		Gifts to wife	40,000
		Surgical equipment	30,000
		Balance c/d	8,000
	4,15,000		**4,15,000**

Additional information:

a) 1/3rd of the motor car relates to his personal use.

b) Gifts include ₹1,000 as birthday gift of Dr. Rajesh

c) Medicine costing ₹ 10,000 was taken for the treatment of this son

d) Depreciation is charges on motor car @ 15%, on books @100% and on surgical equipment @15%.

Q14) Explain in brief the various deduction available under section 80C to 80U of IT Act 1961.

Q15) Explain the Income tax assessment procedure of individual as per IT Act 1961.

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