



Subject Code: IMT-113

Subject Name : INCOME TAX-I

Notes:

- Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
- Answers of Ist Set (Part-A), IInd Set (Part-B), IIIrd Set (Part – C) and Set-IV (Case Study) must be sent together.
- Mail the answer sheets alongwith the copy of assignments for evaluation & return.
- Only hand written assignments shall be accepted.

- A. First Set of Assignments: 10 Questions, each question carries 1.5 marks.
- B. Second Set of Assignments: One Case Studies : 15 Marks.

ASSIGNMENTS

FIRST SET OF ASSIGNMENTS
Marks

Assignment-I = 10

PART– A

- What are the provisions relating to deductions from Gross Total income in respect of rent paid under section 80GG?
- What are the provisions of the Income-tax Act regarding the admissibility of the interest on Loan taken for the construction of the house, for the period prior to the completion of construction of house?
- How would you determine the residential status of company? Can a company be not ordinarily resident in India?
- Mr. X owns a house property at Delhi. 50% of the house property is self occupied for residence and 50% is let out on a monthly rent of Rs. 10,000 for the entire year. The construction of the house property was completed on 31-12-2001. The following expenses were incurred for the above house property during the year ending on 31-3-2011.

Municipal tax paid:	Rs.
for financial year 2009-10	9,000
for financial year 2010-11	14,000
Insurance premium paid	3,000
Land revenue due	6,000
Interest on money borrowed for construction of house property	16,500

Calculate income under the head house property of Mr. X for the assessment year 2011-12

- Discuss the provision relating to the allowance of the following expenditure while computing income under the head "Profit and gains of business or profession":
 - Interest on paid on loans received by a company
 - Bad debts
 - Salary and perquisites to employees of a company (other than directors or their relatives).

6. Discuss the provisions relating to withdrawal of Exemption granted under section 54F of Income-tax Act, 1961.
7. Discuss with reference to the provision of Income-tax Act, 1961, the circumstance when an individual is assessable in respect of income from assets transferred to spouse.
8. Discuss the provisions relating to deduction for Expenditure on scientific research (section 35)
9. Discuss the provisions relating to deduction for Amortisation of preliminary expenses(section 35D)
10. State the provision of Income-tax Act in respect of exemption of House rent allowance and Entertainment allowance.

FOURTH SET OF ASSIGNMENTS

Assignment-II = 20 Case Study

CASE STUDY

A is employed as a project manager of XYZ Ltd. He has furnished the following particulars in respect of his income for the year ending on 31-3-2011.

- 1). Salary including DA Rs. 1,40,000.
- 2). He has been provided a rent-free unfurnished bungalow in the factory premises at Pune. Fair Rental Value Rs. 3,000 p.m.
- 3). The company pays in respect of his son. fees of Rs. 2,400 during the year directly to the college.
- 4). The company employs a watchman and pays Rs. 300 per month for looking after the bungalow of A.
- 5). He availed of 15 days' leave out of 30 days to which he was entitled. He encashed the unavailed leave (for 15 days) and received Rs. 6,000 which he claims as exempt.
- 6). The company pays Rs. 1,000 per annum as premium for an accident insurance policy for the benefit of 'A'.
- 7). Compute income under the head 'Salaries' for the assessment year 2011-12. Assume population of Pune exceeds 25 lakhs.