

**Bachelor's Degree Programme
(BDP)**

**ASSIGNMENT
2022-2023**

**Elective Course in Commerce
ECO – 11: Elements of Income Tax**

For July 2022 and January 2023 Admission Cycle



**School of Management Studies
Indira Gandhi National Open University
Maidan Garhi, New Delhi -110068**



Elective Course in Commerce
ECO – 11: Elements of Income Tax

ASSIGNMENT- 2022-23

Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment in this Course.

Assignment is given 30% weightage in the final assessment. To be eligible to appear in the Term-end examination, it is compulsory for you to submit the assignment as per the schedule. Before attempting the assignments, you should carefully read the instructions given in the Programme Guide.

This assignment is valid for two admission cycles (**July 2022 and January 2023**). The validity is given below:

1. Those who are enrolled in **July 2022**, it is valid up to **June 2023**.
2. Those who are enrolled in **January 2023**, it is valid up to **December 2023**.

You have to submit the assignment of all the courses to The Coordinator of your Study Centre. For appearing in June Term-End Examination, you must submit assignment to the Coordinator of your study centre latest by **15th March**. Similarly for appearing in December Term-End Examination, you must submit assignments to the Coordinator of your study centre latest by **15th September**.

TUTOR MARKED ASSIGNMENT

Course Code	:	ECO- 11
Course Title	:	ELEMENTS OF INCOME TAX
Assignment Code	:	ECO-11/TMA/2022-23
Coverage	:	ALL BLOCKS

Maximum Marks: 100

Attempt all the questions:

1. (a) What are the different categories into which the assesses is divided on the basis of residence? **(10+10)**
(b) Mr. Sanjeev is working in a concern. His basic pay is Rs. 6,000 p.m. and dearness pay at 10% of basic pay. Commission based on fixed percentage of turnover Rs. 25,000 for the whole year. House rent allowance is Rs. 1,200 p.m. and actual rent paid by him Rs. 1,000 p.m. House is situated in Lucknow. Compute taxable House rent allowance.

2. (a) What is not included in 'Salary' for calculating the value of rent-free accommodation for a public employee? **(10+10)**
(b) How would you determine the annual value of house property, which is self-occupied for a part of the year only and let out for the remaining part.

3. Mr. Tarun, a resident individual submits the following particulars of his income for the year ended 31st March, 2022. **(10)**
 - i) Royalty from coal in Rs. 20,000.
 - ii) Agricultural income in Pakistan Rs. 15,000.
 - iii) Salary for a part-time job with a firm Rs. 21,000.
 - iv) Salary as Member of Parliament Rs. 36,000.
 - v) Daily Allowance as M.P. Rs. 15,000.
 - vi) His residential house has been taken on a rent of Rs. 1,000 p.m., half of which he has sub-let at Rs. 1,200 p.m.
 - vii) Dividend received from a Cooperative society Rs. 5,000.
 - viii) He has incurred the following expenses:
 - a) Paid collection charges Rs. 100 for collecting dividends.
 - b) Rs. 3,000 spent for earning and collecting royalty income.Compute Mr. Tarun's income from other sources for the assessment year 2022-23.

4. (a) From the following information, compute the total income and the tax payable by an individual for the assessment year 2022-23. (10)
- i) Salary @ Rs. 40,000 p.m.
 - ii) Dearness allowance Rs. 12,000 p.m.
 - iii) He contributes 20% of his salary and D.A. to a Recognized Provident Fund.
 - iv) Employer's contribution to provident fund is 14% of salary and Dearness Allowances.
 - v) Rent from house property Rs. 12,000 p.m.
 - vi) Interest from an Indian company, Rs. 37,200 (Gross)
 - vii) Life Insurance premium paid Rs. 4,000.
- (b) Discuss the provisions of Income Tax Act dealing with the exemption of income of political parties. (10)
5. Write short notes on the following: (4×5)
- (a) Assessment Year
 - (b) Cost of Improvement
 - (c) Perquisites
 - (d) Income of Minor Child