

Bachelor of Commerce

B.Com

CHOICE BASED CREDIT SYSTEM

BCOC – 136: INCOME TAX LAW & PRACTICE

ASSIGNMENT

2023-24

Valid from 1st July 2023 to 30th June 2024

Third Semester



School of Management Studies

Indira Gandhi National Open University

Maidan Garhi, New Delhi -110068

**BACHELOR OF COMMERCE
CHOICE BASED CREDIT SYSTEM
BCOC – 136: INCOME TAX LAW & PRACTICE
ASSIGNMENT: 2023-24**

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Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment in this Course. The assignment has been divided into three sections. Section A Consists of long answer questions for 10 marks each, Section B consists of medium answer questions for 6 marks each and Section C consists of short answer questions for 5 marks each.

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.

1. Those students who are appearing in December 2023 Term End Examination they have to submit latest by in 15 October 2023.
2. Those students who are appearing in June 2024 exams. They have to submit the same latest by 15 March 2024.

You have to submit the assignment of all the courses to the Coordinator of your Study Centre.

TUTOR MARKED ASSIGNMENT

Course Code	:	BCOC – 136
Course Title	:	Income Tax Law and Practice
Assignment Code	:	BCOC – 136 /TMA/2023-24
Coverage	:	All Blocks

Maximum Marks: 100

Attempt all the questions.

Section-A

1. What do you understand by casual income? Discuss the provision of casual income under Income Tax Act? **(10)**
2. Mr. Vikash is getting a pension Rs. 4,000 per month from a company. During the previous year, he got two-third pension commuted and received Rs. 1,86,000. Compute the exempted amount, if (a) he also received gratuity (b) he did not received gratuity, for the assessment year 2022-23. **(10)**
3. For the previous year 2021-22, the business income of X Ltd. before allowing expenditure on family planning is Rs.3,00,000. The company had incurred the following expenditure on family planning amongst its employees during the previous year 2021-22: **(10)**
 - (i) Revenue expenses on family planning Rs 1, 65,000.
 - (ii) Capital expenditure on family planning Rs 9, 00,000.
 - a) Compute the deduction available for expenditure on family planning to the company assuming the company has income from other sources amounting to Rs. 30,000.
 - b) What will be your answer if the revenue expenditure on family planning is Rs. 2, 30,000 instead of Rs.1, 65,000?
4. The following particulars of income are submitted by Smt. Suman Garg for the assessment year 2022-23. She lives at Delhi. i) Basic pay 10,000 p.m. ii) Dearness allowance @ 10% of salary iii) HRA 30% of basic salary. iv) Medical allowance Rs 200 p.m. (amount actually spent on her own treatment is Rs. 2,000). v) Warden ship allowance 400 p.m. vi) Rent from house Property Rs. 3,000 p.m. vii) Contribution to RPF 10% of basic salary. viii) House rent paid Rs. 6,000 p.m. ix) Donation to approved charitable institution Rs. 20,000 Compute her total income for assessment year 2022-23. **(10)**
5. Discuss the various kinds of Securities? Explain the rule regarding grossing up of interest on Commercial Securities. **(10)**

Section-B

- 6.** Explain the conditions which should be satisfied for an individual to be resident but not ordinarily resident. **(6)**
- 7.** How is tax avoided through Bond washing transactions? **(6)**
- 8.** Define annual value and state the deductions that are allowed from the annual value in computing the income from house property. **(6)**
- 9.** What items are disallowed as deduction in computation of firm's income from business or profession under Section 40(b)? **(6)**
- 10.** Explain in brief the consequences of delay in Filing the Return. **(6)**

Section-C

- 11.** “The income of the previous year is taxed in the current year”. Explain. **(5)**
- 12.** What are the provisions for calculating House rent allowance? **(5)**
- 13.** State any five business losses which are not deductible from business income. **(5)**
- 14.** In what circumstance is the income of one person treated as income of another? **(5)**