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**Presidency University**

**Bengaluru**

**School of Management**

**Summer Term End-Term Examination - August 2024**

**Semester**: Summer Term

**Course Code**: MBA4067

**Course Name**: Tax Management

**Department:** SOM

**Date**: 05-08- 2024

**Time**: 9:30am – 12:30pm

**Max Marks**: 100

**Weightage**: 50%

**Instructions:**

1. *Read the all questions carefully and answer accordingly.*
2. *Do not write any information on the question paper other than roll number.*
3. *Question paper consists of 3 parts.*

**PART A**

**Answer any 10 Questions. Each question carries 3 marks. (10Qx 3M= 30)**

1. Tax planning is the privilege available to every Assessee under the Income tax act. What is Tax planning? (CO:01 Knowledge)
2. Explain briefly the rules for determining the residential status for Individual (CO:01 Knowledge)
3. Explain the concept of Minimum Alternate Tax (MAT). (CO:01 Knowledge)

1. GST is a great revolution in Indian tax history. Why? (CO:01 Knowledge)
2. Deduction, Exemption and Rebate are three important concepts in tax laws. Give one example each from Indian Tax laws. (CO:01 Knowledge).

1. What are the main characteristics of Tax Management? (CO:01 Knowledge)
2. What are the major objectives of Tax management? (CO:01 Knowledge)
3. What is incidence of tax? Explain with examples. (CO:01 Knowledge)
4. What are the principles that should be present in an effective tax governance framework? (CO:01 Knowledge)
5. Distinguish between Tax planning & Tax management. Explain with examples (CO:01 Knowledge)
6. What factors determine the residential status of an HUF for tax purpose? (CO:01 Knowledge)
7. IGST is important. Do you agree? (CO:01 Knowledge)

**PART B**

**Answer any 4 Questions. Each question carries 10 marks. (4Qx 10M= 40)**

1. Mention any four items for which deductions are allowed under section 80C. Also mention the maximum amount of deductions under section 80 C.

(CO:02 Application)

Miss Rita is evaluating her tax liability for the previous year 2022-23. She is having a taxable income of Rs.12,00,000 from salary. She furnishes you following particulars of her investments. She has opted old rate of tax. You are required to compute tax payable after deduction available to her under section 80C to 80U.

a) Contribution to PPF Rs. 75,000

b) Annual premium on LIC Rs. 20,000

c) Children tuition fee to school for only child Rs. 60,000

d) Principal repayment on education loan Rs. 15,000.

(C.O.No.1) [Application]

Mr Rajan draws a monthly salary of Rs. 85,000. He also owns a flat which is let out for rent of Rs 15,000 per month during the year 2022-23. He pays a Municipal Tax of Rs 6,000 and spent Rs 8,000 on repairs for the year on the flat. During the year he earned Rs 20,000 as director fees from another company. He also has contributed towards Rs 16,000 towards LIC Premium. Compute the Taxable Income of Mr Vinay for the Previous Year 2022-23.

(C.O.No.1) [Application]

Goods and Services tax implemented in India is unique even though we have some common provisions as compared to Canadian GST system. State in this regard any five unique features of Indian GST with examples. (C.O.No.3) [Application]

Goods and Services tax was implemented in India with effect from 2017. It is based on the philosophy of one Nation- one Tax. It has completely changed the old tax system and introduced a new law with different meanings and definitions. State in this regard (a) Goods (b) Services (c) Supply (d) Time of supply and (e) Value of supply as per Goods and Services tax.

(C.O.No.3) [Comprehension]

Income tax act has introduced section 115 BAC so that an Assessee may either opt new slab or old tax system for payment of tax liability. Explain in this regard both old and new tax systems along with tax rates. CO; 03 Application)

**PART C**

**Answer the following Questions. (2Qx 15M= 30)**

19. The following particulars of Salary is given by Mr.X- (CO.03 Analysis)

1. Basic salary- 45000/- per month
2. D.A. received- 15,000/- per month
3. Bonus 2 months basic pay
4. Contribution by him to EPF is 15,00/- per month.
5. House rent allowance received 20,000/- per month

Compute the income chargeable under the head salaries in the hands of Mr. X for the AY 2024-2.

20. Point out the changes that has been announced in the recent budget presentation to personal income tax space. (CO.03 Analysis)

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