



# PRESIDENCY UNIVERSITY

BENGALURU

Roll No.														
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## Mid - Term Examinations – October 2025

Date: 08-10-2025

Time: 02.00pm to 03.30pm

<b>School:</b> SOC/SOM-UG	<b>Program:</b> B.Com (ACCA)	
<b>Course Code:</b> COM2057	<b>Course Name:</b> Income Tax Law and Practice	
<b>Semester:</b> III	<b>Max Marks:</b> 50	<b>Weightage:</b> 25%

CO - Levels	C01	C02	C03	C04	C05
<b>Marks</b>	<b>28</b>	<b>22</b>			

### Instructions:

- Read all questions carefully and answer accordingly.
- Do not write anything on the question paper other than roll number.

### Part A

Answer ALL the Questions. Each question carries 2marks.

5Q x 2M=10M

<b>1</b>	Taxpayers adopt different methods to reduce their burden of tax which includes Tax Evasion. Give any two practical examples of Tax Evasion and their legal implications.	<b>2 Marks</b>	<b>L2</b>	<b>C01</b>
<b>2</b>	As per the Scheme of Taxation, whether an Income is taxable or not depends on the Residential Status of the Individual during the Previous Year. In this context explain the terms 'Indian Income' and 'Foreign Income'.	<b>2 Marks</b>	<b>L2</b>	<b>C01</b>
<b>3</b>	Agricultural Income is not taxed under the Income Tax Act. In which case state why is Partial Integration of Agricultural Income required to done for Income Tax purposes?	<b>2 Marks</b>	<b>L2</b>	<b>C01</b>
<b>4</b>	Mr Kiran has a House Property which is let out on rent. He is seeking your input on the deductions available for such income. As a Tax Analyst, list the deductions allowed under Income Tax Act in the computation of Income from Let Out House Property.	<b>2 Marks</b>	<b>L1</b>	<b>C02</b>
<b>5</b>	Income Tax is computed based on Total Income of the assessee in the Previous Year. In this context list out the various Heads of Income specified under the Income Tax Act.	<b>2 Marks</b>	<b>L1</b>	<b>C01</b>

### Part B

**Answer the Questions.**

**Total Marks 40M**

<b>6.</b>	<p>Ms Supriya a Indian Citizen, working in Germany and is a Non Resident in India for Income Tax purposes for the Previous Year 2024-25. She had the following incomes for the year:</p> <ol style="list-style-type: none"> <li>Salary earned and received in Germany Rs. 32 Lacs</li> <li>Interest on Fixed Deposits in State Bank of India, Mumbai Branch Rs. 2.4 Lacs</li> <li>Interest on Bonds of Companies in France, received in Germany Rs. 2.2 lacs</li> <li>Professional Fees Received from Consulting for a Company in Mumbai received in Germany Rs. 1.2 Lacs</li> <li>Rental Income from a House in Mumbai received in Germany Rs. 10 Lacs</li> <li>An amount of Rs 12 Lacs transferred from her German Salary Bank Account to her Indian account in Mumbai.</li> </ol> <p><b>Explain</b> with reasons, which of the above mentioned incomes of Ms Supriya would be taxable in India for the Previous Year.</p>	<b>10 Marks</b>	<b>L3</b>	<b>CO 1</b>
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**Or**

7.	<p><b>Determine the residential status</b> for Income Tax purposes, of Mr Marsh an Australian, for the Previous Year 2024-25, from the following information contained in his passport.</p> <table><tr><td>F.Y.</td><td>Dates</td></tr><tr><td>2024-25</td><td>Arrived on May 3rd and Departed on August 12th</td></tr><tr><td>2023-24</td><td>Arrived on July 23rd and Departed on August 11th</td></tr><tr><td>2023-24</td><td>Arrived on February 9th and Departed on March 26<sup>th</sup></td></tr><tr><td>2022-23</td><td>Arrived on September 8<sup>th</sup> and Departed on March 26th</td></tr><tr><td>2021-22</td><td>Arrived on May 17th and Departed on September 30<sup>th</sup></td></tr><tr><td>2020-21</td><td>Arrived on May 3<sup>rd</sup> and Departed on August 12<sup>th</sup></td></tr></table>	F.Y.	Dates	2024-25	Arrived on May 3rd and Departed on August 12th	2023-24	Arrived on July 23rd and Departed on August 11th	2023-24	Arrived on February 9th and Departed on March 26 <sup>th</sup>	2022-23	Arrived on September 8 <sup>th</sup> and Departed on March 26th	2021-22	Arrived on May 17th and Departed on September 30 <sup>th</sup>	2020-21	Arrived on May 3 <sup>rd</sup> and Departed on August 12 <sup>th</sup>	10 Marks	L3	CO 1
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<b>8.</b>	<p>Mr Gopal Gowda aged 48 years, had for the Previous Year 2024-25, a Net Agricultural Income of Rs 6,20,000 and a Non-Agricultural income of Rs 6,40,000. Assuming that Mr Gopal is opting for the Old Tax Regime, <b>Ascertain his Income Tax liability</b> for the PY 2024-25</p>	<b>10 Marks</b>	<b>L3</b>	<b>CO 1</b>
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	considering Partial Integration of Agricultural Income.			
<b>Or</b>				
<b>9.</b>	Mr Giri a Senior Citizen aged 62 years, has a Total Income of Rs 15,80,000 for the PY 2024-25. He has approached you to calculate his Total Tax Payable under both Old and New Tax Regimes. So you are required to <b>Compute his Total Tax Payable</b> under a) Old Tax Regime and b) Under New Tax Regime.	<b>10 Marks</b>	<b>L3</b>	<b>CO 1</b>

<b>10.</b>	A House Property was let out for Rs 25000 per month during the PY 2024-25 and rent for the months of February and March is unrealized. The Fair Rent of the property is Rs 240000 pa. The Municipal Taxes paid during the year is Rs 8400. Interest on Housing Loan for the year is Rs 136000 and the Total Preconstruction Interest was Rs 180000 and this is the 4 <sup>th</sup> year from the year of completion. From this information, <b>Compute the Income from House Property</b> for the PY 2024-25.	<b>10 Marks</b>	<b>L3</b>	<b>CO 2</b>
<b>Or</b>				
<b>11.</b>	Mr Mayur has a House Property which has Two Floors of 50% each. One Floor is Let Out for a Rent of Rs 20000 pm and Other Floor is Self Occupied during the PY 2024-25. The Municipal Tax Paid for the Year is Rs 12000 of which Rs 10000 is paid. The Interest on Housing Loan for the Year is Rs 180000. <b>Compute the Income from House Property</b> for the PY 2024-25 assuming Mr Mayur opts for Old Tax Regime.	<b>10 Marks</b>	<b>L3</b>	<b>CO 2</b>

<b>12.</b>	A Private Bank employee has the following Salary for the PY 2024-25:  Basic Salary Rs 45000pm  Dearness Allowance Rs 10000 pm  House Rent Allowance Rs 20000 pm  Other Allowances Rs 10000 pm  He stays in a rented accommodation in Mangalore paying a rent of Rs 15000pm from April 24 to March 25. Considering that above, <b>Compute the Income from Salary</b> for the PY 2024-25.	<b>10 Marks</b>	<b>L3</b>	<b>CO 2</b>
<b>Or</b>				
<b>13.</b>	Ms Kirti owned a House Property in Lucknow which was Let out for 10 Months during the Previous Year and for 2 Months it remained vacant.	<b>10 Marks</b>	<b>L3</b>	<b>CO 2</b>

	<p><b>Determine the Gross Annual Value</b> of this Property considering the following information:</p> <p>a) Municipal Value Rs. 3,00,000 pa</p> <p>b) Fair Rent Rs.30,000 pm</p> <p>c) Standard Rent Rs. 28000pm</p> <p>d) Actual Rent - Rs. 27000pm (for 10 months )</p>			
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