



**PRESIDENCY UNIVERSITY,
BENGALURU**

SCHOOL OF LAW

MID TERM EXAMINATION

Odd Semester: 2018-19

Course Code: LAW 121

Course Name: Principles of Taxation

Branch & Sem: BBA., LL.B. (Hons.) VII Sem

Date: 22 October 2018

Time: 2 Hours

Max Marks: 60

Weightage: 30%

Instructions:

- (i) *Calculator is allowed*

Part A

Answer **all** the Questions. **Each** question carries **four** marks.

(5x4=20)

Write sort notes on the following:

1. Foreign Income
2. Revenue Receipt
3. Tax Evasion and Tax Avoidance
4. Illegal Income
5. Previous Year

Part B

Answer **all** the Questions. **Each** question carries **five** marks.

(4x5=20)

6. Examine the charge of tax on Income from Salary as provided under section 15.
7. How income under the head income from house property is calculated?
8. Discuss the constitutional Provisions with regard to power of tax?
9. What is "income" for the purpose of Income Tax Act, 1961?

Part C

Answer **all** the Questions. **Each** Question carries **ten** marks.

(2x10=20)

10. Mr. Ram Singh owns agricultural land which is situated 12 Kilometers outside the municipality jurisdiction having a population of not less than 10,000 persons. He uses his land for earning income in different ways. His Income is as follows:
 - a. Income derived from sale of goods (received on 10-4-2017): 50,000/-
 - b. Income from dairy farming (received on 11-4-2017): 6,00,000
 - c. Income from growing flowers and creepers (received on 19-6-2017): 50,000/-
 - d. Income from sale of replanted teak trees (received on 14-4-2017): 3,00,000/-
 - e. Income from sale of spontaneously grown salwood trees (received on 13-8-2017): 4,00,000/-

- f. Purchase of standing wheat from Mr. Gurjeet Singh and sale after harvest (received on 10-9-2017): 3,24,000/-
- g. Receipts from TV serial shooting at his house (received on 30-3-2017): 1,00,000/-
- h. Rent received from Mr. Gurjeet Singh for land given on lease for cultivation (received on 10-10-2017): 50,000/-

a) Compute the tax liability of Mr. Ram Singh. (10 Marks)

1. Mr. Ronaldo is French national who came to India for business purposes. The details of his visits are as follows:

Arrival	Departure
1st Apr 2004	30th Apr 2004
31st Dec 2004	29th Jan 2005
27th Feb 2005	27th May 2005
17th Aug 2005	31st Aug 2005
1st Nov 2005	31st Jan 2006
15th Mar 2006	30th Jun 2006
1st Feb 2008	30th Apr 2008
3rd Mar 2009	27th May 2009
17th Aug 2009	31st Aug 2009
1st Nov 2009	31st Jan 2010
16th Mar 2010	29th May 2010
1st Feb 2012	30th Apr 2012
25th Feb 2013	27th May 2013
17th Aug 2013	31st Aug 2013
1st Nov 2013	31st Jan 2014
13th Mar 2014	30th Jun 2014
1st Feb 2016	?

- a) Whether Mr. Ronaldo is Resident in India during the previous year 2014-15? Why? (2.5 Marks)
- b) If Mr. Ronaldo is a resident, identify whether he is an ROR or RNOR during the previous year 2014-15? Why? (2.5 Marks)
- c) When should Mr. Ronaldo leave India so that he will not be a resident in India for 2015-16? Why? (2.5 Marks)
- d) How many days Mr. Ronaldo can stay in India so that he can be a non-resident in 2016-17? Why? (2.5 Marks)