Int. LLB Examination 2015-2016

(Fourth Semester)

CORPORATE TAX PLANNING

Time : 3 Hours]　　　　　　*[Maximum Marks : 100*

Note :–　Attempt any five questions.

1.　Attempt any four parts of the following :　　5×4=20

　(a)　What do you mean by 'Tax Evasion'? How it is different from 'Tax Planning'?

　(b)　Explain the three methods by which an assessee can reduce his tax liability.

　(c)　'Tax management includes maintenence of accounts, ...'. Complete the sentence with highlighting essentials of tax management.

　(d)　Define various tax holiday under section 80 I, 80 I A, 80 I B, 80 H.

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(e) How tax planning helps in the growth of economy?

(f) Define the format of salary under section 17 (2).

2. Attempt any four parts of the following :   5×4=20

(a) The incidence of income tax depends upon the residential status of an assessee. Discuss in detail.

(b) Do you think there is a difference between business and profession? What provisions are as contained in the act with respect to business and profession?

(c) Explain 'Partnership Firm' in detail.

(d) From the following information calculate the employe's remuneration :

Basic Salary	₹ 12,00 per month
D. A.	₹ 600 per month
Investment	₹ 25,000
Royality	₹ 800 per month
Dividend	₹ 400 per month
Tiffin allowance	₹ 50 per day

(e)   Differentiate between slab rate and fixed rate.

(f)   Define dividend and taxability of dividend.

3.   Attempt any two parts of the following :   10×2=20

(a)   X, a foreign citizen (not being a person of Indian origin), leaves India for the first time in last 32 years on October, 25, 2008. During the calender year 2009, he comes to India on July 1 for a period of 43 days. During the calendar year 2010, he does not visit India at all but comes to India on January 19, 2011. Determine the residential status of X for assessement year 2011-2012.

(b)   The income of an individual for the year ended 31 March, 2011 consists of the following :

(i)·   Business profit (After setting off) Rs. 20,000 paid as donation to the Chief Minister Relief Fund Rs. 2,40,000.

(ii)   One fourth share from an association of persons in which he was a member Rs. 8,000.

(iii) Interest on Government securities Rs. 8,000.

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(iv)   Income on unit of N. F. Rs. 6,000 (Gross).

(v)   Winning from lottery (Net) Rs. 70,000.

Compute his total income from the assessment year 2011-2012.

(c)   Define the various tax holiday available in the business of opening five star hotel, telecommunication business and development of port with the previous year tax deduction and holiday.

4.   Attempt any two parts of the following :   10×2=20

(a)   'Mostly firms adopt major strategy for the tax evasion'. Discuss this statement under section 72 (A).

(b)   Mr. A aged 37 was awarded a car of market value 4.5 lakh by his credit card company in a draw on 27 September, 2011. The company did not deduct any TD.S. Mr. A has a total income of Rs. 7.85 lakhs in previous year 11-12. He saved Rs. 1.5 lakh under different investment instruments eligible for exemption 80 (c) and Rs. 18 thousand was paid by him on 5 January, 12 towards health insurence policy. Find his tax liability for 12-13.

(c)   Define the tax concession to the amalgamated company and the consequences of amalgamation under different sec. of IT Act, 1961.

5.   Write short notes on any four of the following : 5×4=20

(a)   Retirement benefits.

(b)   Revision and rectification.

(c)   Income from deemed let out house.

(d)   Specified Employee under 17 (2) III.

(e)   Entertainment allowance.

(f)   Define the following :

Section 80 C, 80 U, 80 UU, 80 G, 80 GG

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