

INCOME OF FIRM

- Q.1.** Given below the Profit and Loss Account of JP Associates for the year-ended 31st March 2005. JP Associates is a partnership firm, which satisfies all the conditions of Section 184 and 40[B]. [15]

Particulars	Amount ₹	Particulars	Amount ₹
To Opening Stock	27,600	By Sales	12,53,500
To Purchases	24,120	By Closing Stock	30,000
To Salaries	20,235	By Rent Received	72,000
To General Expenses	55,500	By Interest on Investments	3,500
To Depreciation	23,550		
To Electricity Charges	16,800		
To Printing & Stationery	9,600		
To Municipal Tax	6,000		
To Remuneration to Partner			
J 3,00,000			
P 2,00,000			
Q 1,00,000	6,00,000		
To Interest to Partners @ 15%			
J 80,000			
P 20,000			
Q 1,20,000	2,20,000		
To Net Profit	3,55,595		
Total	13,59,000	Total	13,59,000

Additional Information:

- Out of the General Expenses ₹20, 000 is not deductible under the Income Tax Act.
 - The salaries include an amount of ₹5, 000 being the bonus declared during the year. However, the bonus was unpaid till 31st October 2005, which is the due date for filling the return of income. Therefore, it is to be disallowed.
 - The rent received is in respect of a house property given on rent. The Municipal tax debited above relates to the same property.
 - Depreciation allowable as per the Income Tax Act is ₹53, 550.
- Ascertain the Income from business of the firm with reference to Section 40[b] for the Assessment Year 2005-2006. (April 2006)
- Q.2.** From the following data of M/s. Vodafone & Co. engaged in business, calculate the salary and interest to partners allowable under Section 40 (b) of the Income-tax Act, 1961: [15]

Profit and Loss A/c for the year ended 31-3-2006.

Particulars	Amount	Particulars	Amount
To Salaries :		By gross profit	16,25,300
(i) Staff	5,50,000	By Dividend from	
(ii) Partners A	2,00,000	companies	25,600
B	1,40,000	By Interest received on	
C	60,000	Fixed Deposits	72,500
To general Expenses	55,000	(held as 'Investments')	
To Depreciation on machinery	82,000		
To Rent	84,000		

To Bank Interest	22,500		
To Insurance premium	1,55,000		
To Telephone, printing, postage and Stationery	42,000		
To Interest to partners: A	30,000		
B	22,500		
C	15,000		
To Net Profit	2,65,400		
	17,23,400		17,23,400

You are further informed that:

- (1) Rent paid includes Partners A's personal rent ₹ 14,000.
- (2) Depreciation admissible as per the Income Tax Act is ₹ 60,000.
- (3) Insurance premium paid for cover of Machinery is ₹ 35,000 for stock is ₹ 85,000 and the remaining is partners personal life insurance premium.
- (4) General expenses include partners B's children school fees ₹ 15,000.
- (5) Partners are paid interest @ 15% p.a. on their capitals and C is not a working partner.

(April 2007)

Q.3. Kalu & Balu are partners in KB & Co., a partnership firm which satisfies all Conditions of section 40[b] and 184. They share profits equally. Given below is the P&L Ac of the firm for the year ended 31-03-2009. **[15]**

Profit and Loss A/c			
Particulars	₹	Particulars	₹
To Salaries	30,000	By Gross Profit	3,43,000
To Depreciation	27,000	By Int. on Invest.	4,000
To Conveyance	23,000		
To Stationery	3,000		
To Sales Tax [Unpaid]	12,000		
To Staff Welfare	5,000		
To Salary to partners			
Kalu 1,00,000			
Balu 1,00,000	2,00,000		
To Int. to Partners at 18% p.a.			
Kalu 9,000			
Balu 9,000	18,000		
To Net Profit	29,000		
Total	3,47,000	Total	3,47,000

Additional Information:-

1. The firm is carrying on business of trading in goods.
2. The depreciation allowable as per Income Tax Rules is ₹31,000.
3. Sales Tax liability [shown above] was remaining unpaid till the due date of filling the return of Income.
4. Staff Welfare expenses include ₹2,000 which are not allowed as expenses for Income Tax purposes.
5. You are also informed that the partner have following income [in addition to salary & interest from firm]

Particulars	Kalu ₹	Balu ₹
Income from House Property	19,000	--
Income from other Sources	--	14,000

You are required to calculate net taxable Income of the firm, as well as both the partners for A.Y. 10-11. **(April 2008)**

Q.4. M/s. Viswanath Industries, a partnership firm, submits the following profit & Loss A/c to you for computation of taxable business income for the assessment year 08-09.

Profit and Loss Account for the year ending 31-3-2008

Particulars	₹	Particulars	₹
To Salaries	3,48,000	By Gross profit	6,50,000
To Rent	24,000	By Sundry Creditors W/Back	7,000
To Printing & Stationery	4,700	By Dividend From UTI	13,000
To Telephone	2,800		
To Conveyance	19,500		
To Travelling	16,000		
To Interest	68,000		
To Depreciation	20,000		
To Legal Fees	12,000		
To Auditor's fees	12,000		
To PF contribution	18,000		
To Net Profit	1,25,000		
Total	6,70,000	Total	6,70,000

Additional Information:-

- Salaries include ₹1,20,000 paid to working partner X and ₹80,000 to working partner Y.
- Rent of ₹24,000 is paid to the premises belonging to partner Y who has let it out to the firm.
- Interest paid includes ₹60,000, being interest paid on loan given by partner Y at the rate of 20% simple interest.
- Out of PF contribution debited to P & L Account ₹7,000 is outstanding beyond the due date of filling of return.
- The firm purchased goods by issuing crossed cheques and bank drafts except in the case of one bill for ₹75,000 for which payment has been made by cash. This has been debited to trading account as part of purchases.

(April 2009)

Q.5. Tanaji, Dadoji andSuryaji are partnersin TDS Enterprises . They furnish the following information for the year ended 31st march, 2010:-

Profit and Loss Account for the year ended 31st march,2010.

Debit	₹	Credit	₹
To tax Deducted at sourcefrom Business Receipts	12,000	By Gross Profit b/d	6,80,000
To Advance tax paid	90,000	By Profit on Sale of machinery	40,000
To Drawings of partners	48,000		
To Remuneration to partners Tanaji 80,000 Dadoji 1,60,000 Suryaji 1,60,000	4,00,000		
To Interest on Capital of partner(9%)	90,000		
To net Profit c/d	80,000		
	7,20,000		7,20,000

Additional Information :-

- Tanaji is a non – working partner. Dadoji looks after production and suryaji is in – charge of marketing

From above information, for the assessment year 2010-2011-

- (a) Calculate Book profit and Remuneration of partners allowable u/s 40 (b) of the Income tax Act, 1961.
 (b) Compute the taxable income of the firm and
 (c) Calculate net tax payable by the firm. (April 2011)

Q.6. Following is the profit and loss Account of DHK & Co.

Profit & loss Account for the year ending 31st March 2011.

Particulars	₹	Particulars	₹
To Income Tax	50,000	By Professional fees	10,00,000
To Expenses	4,76,000		
To Depreciation	64,000		
To Remuneration to partners	3,00,000		
To Interest to partners @ 15% p.a.	60,000		
To Net profit	50,000		
Total	10,00,000	Total	10,00,000

Additional Information:

- a. Out of total expenses, expenses include the following:
1. Capital expenditure ₹20,000
 2. Donations to trust ₹ 30,000
 3. Other expenses not deductible u/s 30 to 37 ₹ 24,000.
- b. However the following expenses paid were inadvertently not records in books of account.
1. Telephone Charges ₹ 12,000
 2. Electricity Charges ₹ 12,000
 3. Depreciation allowable as per income Tax Act is ₹ 70,000.

Find out the Taxation income of the firm for A.Y.2011-12

(April 2012)

Q.7. Following are the profit and loss account of ABC and company, where Mr. A, Mr. B, Mr. C is partner. Mr. A is sleeping partner where as Mr. B and Mr. C is working partner. You are require to compute the taxable income of the firm of A Y 2012-2013 and also the tax liability of the firm:- [15]

Profit and loss account for the year ended			
Particulars	Amt	Particulars	Amt
To salary to staff	2,40,000	By gross profit	6,08,000
To salary to partner		By net loss	64,000
Mr. A 96,000			
Mr. B 1,20,000			
Mr. C <u>1,44,000</u>	3,60,000		
To interest to partner			
Mr. C on loan@24%	72,000		
	6,72,000		6,72,000

The deed of partnership provides for the payment of above remuneration and interest to partners. (April 2013)

Q.8. Profit and Loss Account of Aaditya & Company a registered firm for the year ending 31st March, 2013 I as follows: - 15

Profit & Loss Account for the year ending 31st March, 2013

Particulars	₹	Particulars	₹
To Cost of goods sold	25,00,000	By Sales	90,00,000
To Remuneration to working Partners	35,00,000	By Interest on Companies Deposits	5,00,000

To Remuneration to Employees	8,00,000	By Interest on Partners Drawings	3,00,000
To Income Tax	1,50,000		
To Interest on Partners Capital	3,00,000		
To Other Expenses	1,00,000		
To Outstanding Sales Tax	1,60,000		
To Net Profit	22,90,000		
Total	98,00,000	Total	98,00,000

Other Information:-

- (1) Out of other expenses ₹ 40,000 is not deductible by virtue of section 37 (1).
- (2) Outstanding sales tax paid on 1st December, 2013.
(Due date of filling return was 30th September, 2013) **(APRIL, 2014)**
- (3) Interest on partner's capital is not deductible to the extend of ₹ 1,00,000.

Find Out:-

- (a) Book Profit
- (b) Maximum remuneration to working partners which is deductible under section 40 (b)
- (c) Taxable Income of the firm
- (d) Tax liability of the firm.

Q.9. M/s D & G Co., a partnership firm submits the following Profit & Loss Accounts for the year ended 31-03-2016.

Particulars	₹	Particulars	₹
To cost of Goods sold	10,00,000	By Sales	15,00,000
To income tax paid	20,000	By Dividend from Indian company	4,00,000
To sundry expenses	20,000		
To other expenses	70,000		
To interest on partner's capital @15%	90,000		
To remuneration to partners	1,00,000		
To Depreciation	25,000		
To Net profit	5,75,000		
	19,00,000		19,00,000

Additional information:-

1. Other expenses includes ₹25, 000 not deducted under section37.
 2. Depreciation as per income tax ₹ 30,000
 3. Sundry expenses includes ₹5, 000 paid for personnel expenses of partners.
- Calculate the taxable income of the firm and tax liability for the A.Y.2016-17.**[April 17]**

Q.10. M/s X & Y, a partnership firms submits the following Profit & Loss Account for the year ended 31-03-2016.

Particulars	₹	Particulars	₹
To Income tax	2,00,000	By Receipts from clients:	
To expenses	4,00,000	-Audit fees	8,00,000
To Depreciation	1,00,000	-other fees	9,00,000
To Remuneration to partners	4,00,000		
To interest to partners' capital @18%	1,80,000		
To Net Profit	4,20,000		
	17,00,000		17,00,000

Additional information:-

1. Expenses not deductible ₹80,000.
2. Unrecorded expenses ₹60,000.
3. Depreciation as per income tax ₹1,20,000.

Calculate the taxable income of the firm and tax liability for the A.Y.2016-17. **[April, 17]**

RETURN OF INCOME

- Q.11.** Given below is the Profit & Loss A/c of AB & Co. a partnership for the year ended 31-3-09

Particulars		₹	Particulars		₹
To Purchases		30,00,000	By Sales		57,00,000
To Other Expenses		10,00,000			
To Salary to Partner's					
A	2,50,000				
B	<u>2,50,000</u>	5,00,000			
To Net Profit		12,00,000			
Total		57,00,000	Total		57,00,000

Both A & B are working partners in the firm. Both of them do not have any income, other than salary received from firm.

From the information given above, determine the due date for furnishing the return of Income of the firm AB & Co. and both its partners A & B for the A. Y. 10-11. **[04]**

- Q.12.** Mr. X received a salary of ₹5,00,000 p.a. during 08-09 from Central Railway. He has no other income. What is the due date for filling return of income of Mr.X for A.Y. 10-11 **(April 2008) [2]**

SET OFF AND CARRY FORWARD

- Q.13.** X, and individual submits the following information relevant for A.Y. 2005-06: **[7]**

[i.] Income from Salary Computed	₹ 65, 000
[ii.] Income from House Property:	
House I [Income]	₹ 35, 000
House II [Loss]	₹ 17, 000
House III [Loss]	₹ 25, 000
[iii.] Income from Business:	
Business I [speculative] – Profit	₹ 45, 000
Business II [non-speculative] – Loss	₹ 55, 000

Find out the net taxable income of Mr. X for A.Y. 2005-06 applying the provisions of set off and carry forward for losses. **(April 2006)**

- Q.14.** Mr. X furnishes the following particulars of his income for the previous year 2005-06: **(April 2007) [07]**

Income form	₹
Houses Property (Delhi)	5,00,000
Houses Property (Kolkotta)	(-) 2,00,000
Business (Jute)	(-) 15,00,000
Business (Cotton)	18,00,000
Speculation (Shares)	2,00,000
Speculation (Silver)	(-) 5,00,000
Capital Gain (Short term) :	

Land	3,00,000
Shares	(-) 2,00,000
Other Sources:	
Card Game	2,50,000
Race Horses	(-) 3,00,000

Q.15. Mr. Hirada submits the following information in respect of A.Y.10-11. Calculate his net Income. Also show losses to be carried forward. **(April 2008)**

Particulars	₹
Income from Salary	40,000
Income From House Property :	
House I	25,000
House II	[-]35,000
Income from Business :	
Business I [Non-speculative]	54,000
Business II [Non-speculative]	[-]14,000
Income from Capital Gains :	
Long Term Capital Gains	30,000
Income from other Sources :	
Interest on Debentures	1,000
Lottery Winnings	8,000

You are also informed that :

1. He spent ₹1,500 as collection charges towards interest on debentures[allowed to be deducted u/s 57 as an expenditure] **[12]**
2. He has following carried forward losses

Particulars	P. Y.	Amount ₹
Business Loss	2005-2006	10,000
Long Term, Capital Loss	2002-2003	35,000

Q.16. Mr. Z furnishes his following particulars for previous year 2005-06 : **[07]**

	₹		₹
Business Loss (plastics)	(-) 4,00,000	Business Profit (Grocery)	10,00,000
<u>Carried Forwards:</u>		Income from House Property	2,00,000
Business Loss (First determined for Assessment Year 1998-99)	(-) 6,00,000		
Determine the Gross Total Income of Z for Assessment Year 2006-2007.			

Q.17. For the assessment year ,2012-2013 , Mr. Ganesh a non resident individual, furnishes the following information:- **(April 2013) [15]**

Business income	1,15,000
Income from house property	32,000
Long term capital gain	2,00,000
Short term capital gain	4,05,000
Income from owning and maintaining race horses	2,15,000
Income from card games(Besides, Mr. Ganesh has the following brought	

forward losses/allowances	1,10,000
Brought forward business loss of Assessment year 2007-08	1,21,000
Unabsorbed depreciation allowance of the assessment year 2005-06.	1,05,000
Long term capital loss in respect of assessment year 2010-11	3,45,000
Brought forward the loss from the activity of owning and maintaining race horses of the assessment year 2009-2010	2,75,000
Speculation losses of the assessment year 2008-2009	50,000

Determine the **gross total income** of Mr. Ganesh for the assessment year 2012-2013.

Q.18. Mrs. Asma submits the following information for the year ending 31-3-2008

Particulars	₹
Income from salaries (₹5,000 pm)	60,000
Income from houses property	
House 1	16000
House 2	(20,000)
House 3 (Self-occupied property)	(12,000)
Profits & gains of business/profession	
Business A	(25,000)
Business B (Speculative)	35,000
Capital gains	
Short term capital loss	(18,000)
Long term capital gain	10,000
Income from other sources	
Income from betting	9,000
Loss on maintenance of race horses	(12,000)
Interest on securities (Gross)	18,000
Interest on loan borrowed to invest in securities	20,000

Compute her total taxable income for the A/Y 2008-09

(April 2009)

Q.19. Balbir a resident individual , submits the following relevant for the previous year ending march 31 ,2010.

	₹
Income From Salary	16,00,000
Income from House Property :-	
House i	70,000
House ii	(-) 52,000
House iii (Self occupied)	(-) 25,000
Profit and Gains of Business or Profession :	
Business i	2,00,000
Business ii	(-) 75,000
Business iii (Speculative)	(-)60,000
Business iv (Spaeculative)	72,000
Capital Gains:-	
Short ter capital loss	(-) 83,000
Long term capital gains on transfer of Preference Shares	70,000
Income From other Sources:	
Income from card games	80,000
Loss on maintenance of race horses	(-) 1,20,000.
Income from owing and maintaining race camels	2,00,000

Determine the Net Income for the assessment year 2010-11.

(April 2011)

Q.20. (a) Mr. Amogh is a resident individual submit the following information for the previous year ended 31-03-2013. **08**

- i) Income from Salary ₹ 65,000
- ii) Income from House Properties:-
House I (Income) ₹ 80,000
House II (Loss) ₹ 30,000
House III (Loss) ₹ 20,000
- iii) Income from business:-
Business I (Profit) ₹ 1,20,000
Business II (Loss) ₹ 45,000

(APRIL, 2014)

Find out the net taxable income for the Assessment Year 2013-14 applying provisions of set off and carry forward losses.

(b) The following particulars related to Mr. Basant for the year ending 31-03-2013. **07**
You are required to calculate taxable income and tax liability for A.Y. 2013-14

- i) Basic Salary ₹ 12,500 p.m.
- ii) Dearness Allowance ₹ 7,500 p.m.
- iii) Bonus ₹ 12,000
- iv) Commission 3% on sales ₹ 40,00,000
- v) Professional tax deducted ₹ 2,500
- vi) His contribution to Provident Fund ₹ 30,000
- vii) Medical Insurance paid ₹ 10,000 paid by credit card.

(APRIL, 2014)

Q.21. Mr. Rahul is a resident individual submit the following information for the previous year ended 31-03-2014. **15**

- i. Income from Salary ₹ 90,000
- ii. Taxable income from House Property ₹ 3,50,000
- iii. Income from Business ₹ 2,00,000
- iv. Long term Capital gain ₹ 1,50,000
- v. Income from speculative business ₹ 80,000
- vi. Other details unabsorbed depreciation and brought forward loss are:
 - Unabsorbed depreciation ₹ 90,000
 - Loss from speculative business ₹ 1,20,000
 - Short term capital loss ₹ 1,00,000
 - Unrealized rent ₹ 20,000

(APRIL, 2015)

Find out the gross taxable income for the Assessment Year 2014-15 applying provisions of set off and carry forward losses.

Q.22. Mr. Rahul is a resident individual submit the following information for the previous year ended 31st March, 2015.

- i. Income from Salary ₹ 90,000
- ii. Taxable income from House Property ₹ 3,50,000
- iii. Income from Business ₹ 2,00,000
- iv. Long Term capital gain ₹ 1,50,000
- v. Income from speculative business ₹ 80,000
- vi. Other details unabsorbed depreciation & brought forward loss are:
 - Unabsorbed depreciation ₹ 90,000
 - Loss from speculative business ₹ 1,20,000
 - Short term capital loss ₹ 1,00,000
 - Unrealized rent ₹ 20,000

Find out the gross taxable income for the Assessment Year 2015-16 applying provisions of set off & carry forward losses. **[April, 2016]**

Q.23. Miss Anita is resident individual submit the following information for the previous year ended 31-03-2016.

- i) Income from business ₹ 2,00,000
- ii) Long term capital gain ₹ 5,00,000
- iii) Income from salary ₹ 4,00,000
- iv) Taxable income from house property ₹1,00,000.
- v) Income from speculative business ₹1,50,000.
- vi) Other details unabsorbed depreciation and brought forward loss are:
Unabsorbed depreciation ₹ 90,000.
Loss from speculative business ₹1,80,000.
Short term capital loss ₹1,60,000
Unrealized rent ₹ 80,000

Find out the gross taxable income for the assessment Year 2016-17 applying provisions of set off and carry forward losses. **[April, 2017]**

ADVANCE TAX

Q.24. From the following information find out the amount of Advance tax Payable during the financial Year 2009-10 for Mr. Kishor Age 69 years)

	RS.
Business Income : Speculative Business	1,00,000
Non- Speculative Business Business I (profit) Business II (Loss)	2,30,000 (30,000)
Long Term Capital Gain(on 15/05/2009)	5,00,000
Short Term Capital Loss	(1,00,000)
Income From other sources Bank Interest Other Income	80,000 1,90,000
Tax deducted at source	8,410

(April 2011)

Q.25. From the following information find out amount of advance tax payable during the year 2010-11. **(April 2012)**

Particular	Mr. Kapoor (72 yrs) Resident individual (₹)
Business income	6,00,000
Other sources	2,80,000
Deduction u/s chapter VI-A	1,20,000
Tax deducted at sources	15,000

Q.26. N Ltd. paid ₹3,15,000 advance-tax during the year ended 31-3-2006 and furnished Return with Total Income of ₹ 10,00,000 along with T.D.S. Certificates for ₹ 20,500.

Determine N Ltd. tax liability (along with interest payable if any) for Assessment Year 2006-07 if its tax on Returned Total Income to be ₹ 3,00,000 and tax on assessed Total Income to be ₹ 4,50,000. **(April 2007) [07]**

Q.27. From the following Particulars are submitted by Mr. Raja ram (70 years), ascertain the Advance tax payable during the financial year 2011-2012. **[07]**

Particulars	Income	Tax deduction by payer
Salary	2,00,000	10,000
Rent@ ₹ 10,000 per months	1,20,000	-
Long term capital gain on sale of shares on September 1, 2012.	1,20,000	-
Winning from races	5,00,000	1,50,000
Bank interest	50,000	15,000

Mr. Raja ram has Contributed ₹ 10,500 towards recognized provident fund

(April 2013)

Q.28. From the following particulars submitted by Mr. Ashok. Find out the advance tax payable during the financial year 2012-13. **(APRIL, 2014) 15**

Particulars	Income (₹)	Tax Deducted by payer
Income from Salary	5,40,000	14,000
Income from House Property	2,80,000	22,500
Winning from Lotteries	3,00,000	90,000
Winning from Horse races	1,50,000	45,000
Bank Interest	40,000	4,000
Dividend from Foreign Company	1,20,000	-
Dividend from Indian Company	50,000	-
Contribution to Provident fund ₹ 50,000		

Q.29. From the following particulars submitted by Mr. Ramesh. Find out the advance tax payable during the financial year 2013-2014. **(APRIL,2015) 15**

Particulars	Income ₹	Tax Deducted by payer ₹
Winning from Lotteries	5,00,000	1,50,000
Income from House Property	3,00,000	50,000
Winning from Horse races	3,00,000	90,000
Income from salary	6,50,000	50,000
Dividend from Foreign Company	3,00,000	-
Dividend from Indian Company	50,000	-
Interest Income	50,000	-

Contribution to Provident Fund ₹ 1,00,000.

Q.30. From the following particulars submitted by Mr. Ramesh. Find out the advance tax payable during the financial year 2014-15

Particulars	Income ₹	Tax Deducted by payer ₹
Winning from Lotteries	5,00,000	1,50,000
Income from House Property	3,00,000	50,000
Winning from Horse races	3,00,000	90,000
Income from Salary	6,50,000	50,000
Dividend from Foreign Company	3,00,000	-
Dividend from Indian Company	50,000	-
Interest Income	50,000	-

Contribution to Provident Fund ₹ 1,00,000.

[April, 16]

- Q.31.** Mr. Ramesh submit the following information for the year ended 31-03-2016:
 -Income from business ₹40,00,000.
 -Income from let out house property (Gross) ₹2,80,000, (Municipal tax paid ₹60,000)
 -Income from other sources ₹3,50,000.
 -Contribution to Public Provident fund ₹2,20,000.
 -Tax deducted at source ₹5,50,000.

Calculate advance tax liability for the assessment year 2016-17.

[April, 2017]

TDS

- Q.32.** Sun Ltd. makes the following payment during the financial year 2009-2010.

	Paid to	Nature of payment	₹
(i)	Desai & Co.	Audit fees	18,000
(ii)	Tilak & Co.	Account writing fees	25,000
(iii)	Tilak & Co.	Reimbursement of out of pocket expenses(Under separate bill)	20,000
(iv)	Naik & Co.	Fees for interior Decoration :- office	40,000
(v)	Patil & Co.	Brokerage for arranging office on Rental basis	2,000

Determine on which of the above payment tax is to be deducted at source for the assessment year 2010-11.

(April 2011)

- Q.33.** Determine on which of the following payments tax is to be deducted at source for the assessment year 2010-2011.

(April 2011)

	Payer	Payee	Nature of payment	₹
(i)	Manoj & Co.(a partnership firm)	Mr. Manoj (a partner)	Interest on capital	15,000
(ii)	Indian post office	Mr. Jagan(age 69 years)	Interest on senior citizen saving scheme account	18,000
(iii)	Janata Sahakari Bank Ltd.	Mr. Pramod	Interest on Fixed Deposit	21,000
(iv)	Motor Accident Claim Tribunal	Mrs. Sunita	Interest on compensation of ₹1,00,000	9,000
(v)	Income Tax Department	Mr. Suresh	Interest on Income Tax refund	6,000

- Q.34.** Determine o which of the following payment tax is to be deducted at source for the Assessment year 2010-2011.

(April 2011)

	Payer	Payee	Nature of Payment	₹
(i)	Mumbai University	Mr.Sagar	Contract charges for construction of over – bridge	49,000
(ii)	Sawant & Bros.(HUF) Having tax audit u/s 44 AB in the year 2008-2009	Mr.'X'	For Interior Decoration work carried out at home	75,000
(iii)	MTNL	Mr. Parag (PCO Operator)	Commission on PCO Collection	4,500
(iv)	Moon Ltd.	Shyam Ltd.	Accommodation of General Manager	1,10,000
(v)	Asha Ltd.	Mr. Mahendra	Refundable Deposit for flat taken on lease	1,50,000

DTAA

- Q.35.** Mr. John, aged 62 years, a model deriving income of ₹ 60,00,000 from modeling performed outside India. Tax of ₹ 9,00,000 deducted at the source @15% in the country where the source were held. India does not have any agreement with that country for avoidance of double taxation. Indian income of Mr. John for the year 2015-16 ₹ 25,00,000. He invested in LIC ₹ 1,50,000. **[April 17]**

TAX LIABILITY

- Q.4** Mr. Ram owns two house properties particulars of which as follows:-

Particulars	House I (SOP) ₹	House II (LOP) ₹
Municipal Valuation	5,00,000	3,00,000
Fair valuation	4,50,000	3,50,000
Rent received	-	7,20,000
Municipal tax paid	25,000	50,000 (60% paid by tenant)
Interest on Loan (Loan taken before 01-04-99)	40,000	80,000

His other income as follows:-

- i) Dividend from Indian company ₹ 50,000.
- ii) Interest income ₹ 2,90,000
- iii) Dividend from co-operative bank ₹ 60,000.

He contributed ₹ 50,000 for provident fund and he repaid ₹ 80,000 housing loan principal amount. Calculate the net taxable income for the A Y 2016-17 and tax liability of Mr. Ram. **[April 17]**