

MBA Degree (PT) V Semester End Semester Examination-February/March 2022

16-372-0521: CORPORATE TAXATION

(Regular)

Time: 3 Hours

Max. Marks: 50

PART A

(Answer ALL questions. Each question carries 2 marks)

Write a short note on the following.

1. Canons of Taxation
2. Taxable income
3. Tax Evasion
4. Tax holiday
5. GTI

(5*2=10)

PART B

(Answer any FIVE Questions. Each question carries 4 marks)

6. How does the residential status determine the tax liability of a company?
7. Explain the taxability of agricultural income in India.
8. Write a short note on transactions not regarded as transfer u/s 47.
9. State the taxability of 'Capital gains from security transactions' for corporate assesses.
10. Briefly explain any four sections that allow deductions from Capital gains in India.
11. X Ltd owns a house property in Pune, details relating to which are:

Municipal value Rs 4,00,000 p.a., Fair rent Rs 3,60,000 p.a., Standard rent Rs 4,20,000 p.a. It is let out throughout the previous year (rent Rs 20,000 p.m. up to 15/10/2020 and Rs 24,000 p.m. thereafter). The property is transferred by X to Y on February 28, 2021. Find gross annual value of the property in the hands of X for the A.Y. 2021-22.

12. AB Ltd has sold a plot of land situated within the limits of Salem Corporation on March 16, 2021. The resultant long-term capital gain is Rs.100 lakh. On March 30, 2021, the company invests Rs.40 lakh in land and on 2 April 2021 it invests a further sum of Rs.60 lakh in Rural Electricity Corporation Bonds, approved under Section 54EC. What is the amount of exemption that the company can claim?

(5*4=20)

PTO

were not resolved. There was also problem regarding delivery of the serviced car by the promised time. Please discuss the causes of the above problems and explain your action plan to solve these.

(2*10=20)

PART C

(Answer any TWO Questions. Each question carries 10 marks)

13. Briefly explain the provisions regarding deduction available to corporate assessee under section 80 in India.
14. a) Write a note on income tax exemptions for capital gains in India.
b). Discuss the provisions regarding the set off and carry forward business loss under Income Tax Act 1961.
15. A Ltd, an Indian company submits the following particulars of income for the previous year ending on 31/03/2021:

Particulars	Rs.
1. Profits from manufacturing activity set up in India	300,000
2. Profits from small scale (backward district) manufacturing activity	130,000
3. Dividend from foreign company	60,000
4. Interest on fixed deposit in foreign bank	122,000
5. Short term capital gain	146,000
6. Long term capital gain on sale of gold	109,450
7. Royalty from Pakistan Government	14,000
8. Royalty from Indian company	34,000
9. Brought forward business loss	(-67000)
10. Legal expenses for tax advice	18,000
11. Donation to National Defense Fund	24,400
12. Donation by cheque to Political Party	10,000
13. Investment in Equity linked Savings Scheme	4000
14. Income Tax	4000

Determine the taxable income of the company for the assessment year 2021-22.
Also compute tax liability.

(2*10=20)
