

Dr. Babasaheb Ambedkar Open University
Term End Examination July – 2026

Course	: BBA	Date	: 14-07-2026
Subject Code	: BBACC303	Time	: 11:30am to 01:45pm
Subject Name	: Income Tax & GST	Duration	: 02.15 Hours
		Max. Marks	: 70

Write the following questions and answers. **Marks**
Q-1 Explain the fully exempted incomes (section-10) in detail. **14**

OR

Q-1 Write down the conditions to become a Resident as per the Income Tax Act, 1961.

Q-2 Mr. Santosh Paliwal is a Distribution Head employed by Abhaya Limited, Solapur. The details of his salary and other emoluments received during the previous year 2023-24 are as under: **14**

- (i) Basic salary Rs. 4,20,000 per annum;
- (ii) Dearness allowance (treated as a part of salary for retirement benefits) Rs. 42,000 p.a.;
- (iii) Commission on sales Rs. 1,75,000;
- (iv) House rent allowance Rs. 60,000 p.a. (actual rent paid Rs. 8,000 p.m.),
- (v) Transport allowance Rs. 24,000 p.a.;
- (vi) Tour (Travel) allowance: Rs. 1,200 each for 5 trips (actual amount spent on each trip Rs. 1,000);
- (vii) Tour daily allowance: Rs. 250 per day for 60 days in the year (actual amount spent Rs. 9,600 in total);
- (viii) Uniform allowance Rs. 1,000 p.m. (for purchase and maintenance); actual amount spent for that purpose at an average rate of Rs. 750 p.m.;
- (ix) Research assistance allowance Rs. 600 p.m. (spent Rs. 9,000 during the year);
- (x) Children education allowance Rs. 9,000 (for 2 children);
- (xi) Entertainment allowance Rs. 12,000 p.a.

Compute his taxable salary income.

OR

Q-2 Describe the Wholly Tax-free Securities.

Q-3 From the following details of Shri Arun regarding his house property compute taxable income for A.Y. 2024-25. **14**

(1) Letout House

(A) Annual Value as Per Municipal Record Rs. 9,000
Municipal Tax 20%
Annual Fair Rent Rs, 13,200
Value Determined Under Rent Control Act Rs, 1,20,000
Annual Rent Rs 1,44,000

(B) House Remain Vacant For 5 Months During P.Y.
Interest on loan taken for construction is Rs. 12,000 (1/5th of the capitalised interest)

(C) Total Unpaid Interest of P.Y. Rs.28,000

(2) Self-occupied House

(A) Construction of house was complete on 30/9/03 and total loan taken for construction accumulated to Rs.60,000. (Loan was taken on 1/1/2000)

(B) During 06-07 a fresh loan was taken to construction 2nd floor and its outstanding interest amounted to Rs 72,000.

(C) During 06-07 another loan was taken to make repair and alteration as per 'Vastu shastra' on 1st floor and o/s interest amounted to Rs.35,000.

Note: Rent For Let-out House:

Annual Rent Rs,1,44,000

Less 5 Months Vacancy Rs, 60,000

Actual Rent Rs, 84,000

Gross Annual Value = Rs, 84,000

OR

Q-3 Explain the Income of other persons included in the total income of the Assessee / Clubbing of income (section 60 to 65).

Q-4 What are the characteristics of indirect taxes in India? **14**

OR

Q-4 Write about the Taxability of E-Commerce Transactions.

Q-5 (A) Write a short note. (any three) 09

- 1 Difference between Direct & Indirect Tax
- 2 Tax Evasion & Tax Avoidance
- 3 Deduction received from income under the head of business and professions
- 4 Section 80DDB
- 5 GST Councill

(B) Multiple Choice Questions 05

1. Income tax in India is governed by:
A. Finance Act
B. Income Tax Act, 1961
C. RBI Act
D. Companies Act
2. How many heads of income are there under Income Tax?
A. 3
B. 4
C. 5
D. 6
3. Section 80C maximum deduction limit is:
A. ₹1,00,000
B. ₹1,50,000
C. ₹2,00,000
D. ₹50,000
4. Which income is fully exempt?
A. Salary
B. Agricultural income
C. Rent
D. Interest
5. TDS means:
A. Tax Deducted at Source
B. Tax Deposited at Source
C. Total Deducted Source
D. Tax Direct System
