

SET A

Roll No.	
SAP ID	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, July 2020
Open Book – Through Blackboard Learning Management System

Course: Income Tax Law And Practice
Programme: BCOM Hons. Taxation
Course Code: FINC 1008

Semester: II
Time: 03 hrs.
Max. Marks: 100

Instructions:

As this examination is in open-book format, the students are expected to demonstrate a very high degree of Academic Integrity and not copy contents from resources referred. Instructors would look for understanding of the concept by the students and any similarity found from resources online/ offline shall be penalized in terms of deduction of marks and even cancellation of paper in requisite cases. The online examination committee of the School would also look for similarity of two answer scripts and if answer scripts of two or more students are found similar, both the answer scripts shall be treated as copied and lead to cancellation of the paper. In view of the aforesaid points, the students are warned that they should desist from using any unfair means.

All Questions are Compulsory
Answer each question in not more than 500 words

S. No.		Marks	CO
1	<p><i>The Government of India decides the rate of income tax as well as income tax slabs on which individuals are taxed. Those under higher income slabs are taxed at higher rates. The taxable income slabs are changed from time to time, keeping in mind the price levels. Sometimes, the government also provides income tax rebates, which benefit people in the lower-income group.</i></p> <p>In light of above statement discuss in detail about the rates of Income Tax for Every Individual.</p> <p>Also critically analyse the reasons behind imposing higher rates for those falling under higher income slabs.</p>	20	CO1, CO2, CO3
Ans.			
2	<p><i>Payments in cash made by the employer to his employees monthly, other than salary, a fixed sum of money paid regularly in addition to salary for the purpose of meeting some particular requirement connected with the services rendered by an employee.</i></p> <p>In light of this statement discuss briefly the difference between the two and write a note on:</p> <p>(a) Dearness Allowance (b) Recognised Provident Fund</p>	20	CO1, CO2, CO3

SET A

Ans.			
3	<p><i>Tax planning should be an integral part of one's finances. It's a loss if one doesn't make use of the available deductions and exemptions to save on taxes. Paying taxes is a way of contributing to the nation's development, but when the government provides with options to save taxes, it is always wise to do so. The Income Tax Act, 1961, provides taxpayers with several options to reduce their tax payable. Various sections offer tax deductions, out of which Section 80C is the most popular.</i></p> <p>In light of this statement explain the deduction under section:- (a) 80 C (b) 80 G</p>	20	CO1, CO2, CO3
Ans.			
4	<p><i>Government levies taxes not only to collect required revenue to meet its expenditure but also with a view to attain certain economic objectives as well. Most important among them in reallocation of economic resources. Income tax is most important tax.</i></p> <p>With the reference to above statement define Income Tax? Describe the history of Income tax in India.</p>	20	CO1, CO2, CO3
Ans.			
5	<p><i>Fixed monetary payments for a specific purpose is known as allowance whereas any casual emolument, free or profit attached to an office or position, in addition to salaries or wages is called as perquisites. One such perquisite is Rent Free House/ Accommodation.</i></p> <p>In light of the above statement discuss how the value of Rent Free House is calculated under the head Salary?</p>	20	CO1, CO2, CO3
Ans.			

I,, understand that submitting work that isn't my own may result in failure in this paper and I may also be subject to Disciplinary Proceedings as per the Academic Integrity policy of the University.