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B.M.S COLLEGE FOR WOMEN, AUTONOMOUS
BENGALURU – 560004
SEMESTER END EXAMINATION – APRIL/MAY- 2023

M.Com. – III Semester

CORPORATE TAX PLANNING

Course Code: MCM305T
Duration: 3 Hours

QP Code: 13013
Max. Marks: 70

SECTION – A

- 1. Answer any seven questions out of ten. Each question carries two marks. (7x2=14)**
- Write the meaning of Block of Asset?
 - Write the Schedule of Advance Tax?
 - Provide Setoff and Carry Forward Provision for Income and Expense related to “Playing Horse Race”
 - What is meant by Belated Returns?
 - What do you mean by surcharge?
 - What is Additional Depreciation?
 - Give any four Chapter vi deduction.
 - Mention Tax benefit available, if any on Dividend distribution.
 - State Tax provision related to rent and repairs on plant and machinery?
 - Blanket distribution to poor on occasion of Birthday- Can Assessee claim 80G deduction?

SECTION – B

- Answer any four questions out of six. Each question carries five marks. (4x5=20)**
- Discuss Set off and Carry Forward Provision related to Income under the head Business or Profession.
 - Write a short note on Mat Credit.
 - An Assessee held a machine A,B and C falling under same block with WDV Rs. 70,00,000 as on 31/3/2022.
The Assessee purchased machine D for Rs. 20,00,000 on 05/05/2022 and put to use on the same day. The Assessee sold machine B for Rs. 18,00,000 on 15/03/2023.
Compute the Normal depreciation allowable for previous year 22-23 under section 32
 - Explain different types of Assessment.

6. Ranu Ltd estimated its tax liability as Rs. 12,00,000 for financial year 2021-22 and paid accordingly. However, its actual tax liability was RS. 14,00,000 and the balance tax paid on 26th November. Compute Interest under section 234C with suitable working notes.
7. Determine applicable TDS in the following cases

Rent payable Rs. 6,00,000 P.A for office building
Rent to A Ltd Rs. 2,22,000 which includes payment for rent of building Rs. 1,50,000 and of machinery Rs. 72,000
Payment for professional service Rs. 1,00,000
Winning from Horse Race Rs. 2,00,000
Interest from bank Rs. 9,000

SECTION – C

Answer any two questions out of four. Each question carries twelve marks. (2x12=24)

8. A Company requires a Component. From the following information suggest the company whether it should Make the component or Buy it from the Market.
Making the component. A new Machine will be purchased for Rs. 10,00,000.
Depreciation at 15 percent. Ignore Additional Depreciation. Manufacturing cost 14 lakhs, 16 lakhs, 18 lakhs, 20 lakhs and 24 lakhs respectively. Tax at 30 percent. Ignore surcharge and cess.
Buying the component--20 lakhs, 22 lakhs, 24 lakhs, 26 lakhs and 30 lakhs respectively.
9. Analyse in detail Provisions with respect to Depreciation under section 32. Also throw light on concept of Proportionate Depreciation.
10. Explain the concept of Advance Tax. Give a short note on Section 234A, 234 B and 234 C. You can use numerical example to explain.
11. Banu Ltd had income under the head PGBP RS. 7,00,000, Capital gains Rs. 3,00,000 and other sources RS. 1,50,000 for the year 2021-22.
The income under the head LTCG had RS. 1,00,000 and STCG chargeable u/s 111A Rs. 75,000. The company had a casual income of Rs. 25,000 included under other sources

The following were the donations made by the company during the year

Particulars	Amount in Rs.
Donation to PMNRF	40,000
National sports fund set up by Central Government	20,000
Donation to Indian Olympic Association	30,000
Donation for charitable institute in kind	70,000
Swacha Bharat Kosh	45,000
Indira Gandhi Memorial Trust	40,000
Donations for repair of temple, of which RS. 15,000 was paid in cash	45,000
PMDRF	15,000
Donations for family planning	50,000

Donations to an approved NGO	35,000
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Compute the deduction available under section 80 G.

SECTION – D

(Compulsory Skill-based Question on Subject / Paper)

(1x12=12)

12. Compute the Tax payable by Somnath Ltd for various Assessment years for the following details assuming that the rate of tax for all the years. are same as that of current year.

AY	Income as per Regular Provision (in Rs.)	Book Profit U/S 115JB(in Rs.)
2016-17	8,40,000	40,00,000
2017-18	10,80,000	70,00,000
2018-19	40,00,000	60,00,000
2019-20	7,00,000	35,00,000
2020-21	30,00,000	40,00,000
2021-22	80,00,000	90,00,000
2022-23	1,20,00,000	1.40 cr
