

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

Course: Corporate Tax Planning	Semester: V
Program: BBA(Accounting & Information System) 2017	Time: 3 Hours
Course code: FINC 2017	Max. Marks: 100
Instructions: Attempt all Questions	

SECTION A

(10 * 2 Marks Each - 20 Marks)

Q.1.		Marks	CO
a)	Tax is imposed irrespective of the exact amount of service rendered to the tax payer in return and not imposed as a _____ for any legal offence. a) Penalty. b) Rule c) law. d) Cost	2	1 & 2
b)	Which types of taxes are levied directly on the entity meant to bear the burden? a) Indirect tax. b) Direct tax. c) Custom tax. d) Export duty	2	1 & 2
c)	Company is not a citizen so as to claim _____ granted to citizens. a) Profits b) Shares. c) Fundamental rights. d) Asset.	2	1 & 2
d)	What is the tax levied on a company's income based? a) Company name b) Company profile. c) Industry type. d) Legal residence.	2	1 & 4
e)	The form of ownership is an important _____ of tax planning. a) form. b) Part. c) tool. d) Aspect	2	3 & 4
f)	Sole proprietorship is a business owned by how many people? a) Four people. b) Single person. c) Three people. d) Group of people	2	2 & 3

g)	Activities connected with the production or purchase and sale of goods or services with the object of earning profit are called _____. a) Production activities. b) Sales activities. c) Profit activities. d) business activities	2	1 & 3
h)	_____ may be defined as an economic activity involving regular production or purchase and distribution. of goods and services with the object of earning profits. a) Capital. b) Business. c) Profit. d) Finance	2	1 & 4
i)	The term, _____ has been defined to mean a group of assets falling within a class of assets in respect of which the same percentage of depreciation is prescribed. a) Assets. b) Capital assets. c) Basic assets. d) block of assets	2	1 & 2
j)	Legally, a partnership firm does not have a separate entity from that of the partners constituting the firm as the partners are the _____ of the firm. a) Assesses. b) Owners. c) Share holders. d) Employee	2	1 & 4
SECTION B		20 Marks	
Attempt all Questions (Short notes)			
Q.2	Tax management	5	2 & 3
Q.3	Tax planning	5	2 & 3
Q.4	GST	5	3 & 4
Q.5	HUF	5	3 & 4
Attempt all Questions		SECTION C	
		30 Marks	
Q.6	Specify whether the following acts can be considered as (i) Tax planning; or (ii) Tax Management; or (iii) Tax evasion. (i) P pays premium of Rs.10,000 for health Insurance policy so as to reduce his total income from Rs. 3,40,000 to Rs. 3,30,000 by claiming deduction u/s 80D (ii) SQL Ltd. pays advance tax by estimating his total income in previous year to ensure timely compliance.	15	2 & 4

	(iii) An individual tax payer making tax saver fixed deposit of Rs. 1,00,000 in a Nationalized bank. (iv) A bank obtaining declaration from depositors in Form No. 15G /15H and forwarding the same to income-tax authorities. (v) Z debits his household expenses as business expenses in the books.		
Q.7	A non-resident Indian acquired shares on 01.02.2008 for Rs. 2,00,000 in foreign currency. These shares are sold by him on 01.02.2019 for Rs. 6,00,000. He invests Rs. 6,00,000 in shares on 31.03.2019 and these shares are sold by him on 30.06.2019 for Rs. 7,00,000. Discuss the tax implications. Ignore the effect of first proviso to section 48.	15	3 & 4
Attempt all Questions		SECTION D	
		30 Marks	
Q.8	Discuss tax deductions u/s 80C.	10	3 & 4
Q.9	Suresh is employed in Delhi and is drawing Rs. 30,000 per month as salary. Besides, he got one month salary as bonus. He is given an option by the employer, either to accept HRA or a rent-free accommodation which is owned by the employer. HRA is payable @ Rs. 10,000 per month, while the rent for accommodation in Delhi is Rs. 12,000 per month. Advise Suresh, whether it would be beneficial for him to avail HRA or rent-free accommodation provided by the employer.	20	2 & 4