

Business Taxation

Attempt **FIVE** Questions in all. Section-A is Compulsory. All Question carry equal marks.

Roll No. _____
 Time Allowed: 3 hour
 Max. marks: 100
 Pass Marks: 40%

1. Calculate the Tax payable of Mr. Mohammad Ali .Who is working as full time teacher in an affiliated institution for the Tax year 2014, with the help of following information:

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Sr. No.	Details	Rs.
1	Basic Salary	6,00,000
2	Dearness Allowance	1,00,000
3	Rent free furnished accommodation provided by the employer (other big city)	
4	Amount of Gratuity (Approved by CIR)	2,00,000
5	Contribution to Recognized provident fund by employee is Rs. 6,000 Same amount contributed by employer. Interest Credited @20%	80,000
6	Rent from property (Tenants bear the cost of repair)	4,00,000
7	Income from poultry farm	2,00,000
8	Gains from the sale of listed public company shares (holding period more than 12 months) capital loss Rs. 1,50,000	
9	Paper setting remuneration (Gross)	30,000
10	Investment in share of listed companies. Share Rs. 1,80,000 as original allottee	
11	Payment to workers welfare fund.	40,000

Required: you are required to work out his tax liability.

Taxable income	Rates
Rs. 7,50,000 to Rs. 14,00,000	Rs. 17,500 + 10%
Rs. 14,00,000 to Rs. 15,00,000	Rs. 82,500 + 12.5%
Rs. 15,00,000 to Rs. 18,00,000	Rs. 95,000 + 15%

2. Explain following terms with reference to income tax ordinance 2001: 20
- AGRICULTURAL INCOME OF INCOME
 - CHARITABLE PURPOSES
 - PRINCIPAL OFFICER
 - TAX YEAR
3. Discuss the Legal provisions regarding the exemption of following incomes under the income tax ordinance 2001:
- AMOUNT OF GRATUITY
 - INCOME OF RELIGIOUS INSTITUTION
 - PENSIONS
 - EXPORT OF COMPUTER SOFTWARE
4. Discuss the Legal provisions regarding the exemption of following perquisites: 20
- PROVIDENT FUND
 - ACCOMMODATION
 - LOAN TO EMPLOYEE
 - CONVEYANCE
5. Discuss the Legal provisions regarding the SET OFF and CARRY FORWARD of Losses. 20
6. Discuss the powers and function of federal board of revenue.
7. Discuss the Legal provisions governing the filing of Return of Total Income under the income Tax ordinance, 2001.

8. Define the following Terms with reference to the sales Tax Act, 1990:

- i) DUE DATE
- iii) INPUT TAX

- ii) EXEMPT SUPPLY
- iv) REGISTERED PERSON

9. Compute the sales tax liability of Mr. Muhammad Iqbal. a Registered Manufacturer, for the month of august,2014 with. The help of following information.

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Sr. No.	Details	Rs.
1	Sales to registered persons	26,00,000
2	Sales to non-registered persons (including the amount of sales tax)	2,50,000
3	Supply made for personal use	3,00,000
4	Taxable supply @20%discount (normal business practice)	1,75,000
5	Export sales	4,00,000
6	Zero rated supplies	1,00,000
7	Supply donated to charitable institutions	90,000
8	Purchase from registered person	14,00,000
9	Purchase from non-registered person	150,000
10	Sales tax paid on telephone bills	15,000
10	Goods Imported	5,00,000
11	Fixed assets used for exempt products	3,50,000

****B.com-II(15/A)****

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