



UNIVERSITY OF THE PUNJAB

B.S. 4 Years Program / Eighth Semester – 2019

Paper: Taxation Management (Advanced)

Course Code: BBA-414 Part – I (Compulsory)

Time: 15 Min. Marks: 10

Roll No. in Fig.

Roll No. in Words.

Signature of Supdt.:

ATTEMPT THIS PAPER ON THIS QUESTION SHEET ONLY.

Division of marks is given in front of each question.

This Paper will be collected back after expiry of time limit mentioned above.

Q.1. Encircle the correct option.

(10x1=10)

1) Which one of the following is the business income?

- i) Income of non-professional writer
- ii) Casual income
- iii) Prize on prize bonds
- iv) None of these

2) Capital gain arise from the disposal of :

- i) Depreciable asset
- ii) Capital Asset
- iii) Securities
- iv) All of above

3) Admissible business expenses are:

- i) allowed in the income tax law
- ii) reported in the final account of the company
- iii) Not allowed by the income tax authorities
- iv) None of the an above

4) Best Judgement assessment u/s 121 is made of the person:

- i) Fails to file the return on due date
- ii) fails to furnish wealth statement
- iii) fails to maintain record
- iv) None of the above

5) Withholding tax is:

- i) tax paid with return
- ii) Tax deducted at source with payment
- iii) Wealth tax
- iv) None of the above

6) Due date to file the income tax return for company following normal tax year is:

- i) 30th June
- ii) 30th September
- iii) 31st December
- iv) None of the above

P.T.O.

- 7) Which sales tax act is applicable now a days:
- i) Sales tax act 1950
 - ii) Sales tax act 1970
 - iii) Sales tax act 1980
 - iv) Sales tax act 1990
- 8) Which one of the following does not fall in the definition of Company:
- i) Non profit organization
 - ii) Small company
 - iii) Modaraba
 - iv) Association of Person
- 9) Income from prize of prize bond is:
- i) Income from business
 - ii) Income from Capital Gain
 - iii) Income from other sources
 - iv) Income from salary
- 10) Which one of the following is not covered under the definition of company as per income tax ordinance 2001?
- i) Provincial Government
 - ii) Federal Government
 - iii) Local Government
 - iv) None of the above



ATTEMPT THIS (SUBJECTIVE) ON THE SEPARATE ANSWER SHEET PROVIDED

- Note: i. Tax rates are attached herewith.
ii. Give notes where applicable.
iii. Attempt all questions.

Q2) Define the following:

10x2=20

- i. Wealth Statement
- ii. Wealth Reconciliation Statement
- iii. Direct taxes
- iv. Income Tax return
- v. Output tax
- vi. Input Tax
- vii. Invoice
- viii. Further tax
- ix. Capital Asset
- x. Depreciable Asset

Q3) Mr. Jameel has given a property on Rent. The rent of the property is Rs.80,000/-per month. Further detail is as under:

Mr. Jameel forfeited an amount of Rs. 5,00,000/- regarding the rented property. Tenant Paid Rs.6,000/- as repair charges. Tenant also spent Rs.9,000/- as repair on this property. Mr. Jameel paid Rs.12,000/- as property tax himself. The advance rent Received by Mr. Jameel is Rs.1,60,000/-. Mr. Jameel also received a security of Rs.3,00,000/-. The Fair market rent of the property is Rs.11,00,000/-. Find out the tax liability of Mr. Jameel if he also received Salary of Rs.6,00,000/- during the year. The tax deduction at source on salary is Rs.5,000/-.

15

Q4) Mr. Bashir is engaged in manufacturing business. He is registered with sales tax as manufacturer. Data regarding his business during July 2018 is given below:

15

Particular	Amount in Rupees
Local taxable supplies to Registered person	72,00,000
Local Taxable Supplies to Unregistered person	14,50,800
Exempt Supplies	80,000
Local Purchase from registered person	90,02,000
Local Purchase from Unregistered person	10,53,000
Debit note issued for taxable supplies	2,12,000
Input Tax brought forward from previous month.	48,000
Exports	2,00,000

** Compute the Sales tax liability for the month of July 2018.

Tax Rates 2018

Income Tax Rates for Individuals and AOP for tax year 2018

1.	Up to Rs.4,00,000	0%
2.	Rs.4,00,001 to Rs.5,00,000	7% of amount Exceeding Rs.4,00,000
3.	Rs.5,00,001 to 7,50,000	Rs.7,000 + 10% of amount Exceeding Rs.5,00,000
4.	Rs.7,50,001 to 15,00,000	Rs.32,000 + 15% of amount Exceeding Rs.7,50,000
5.	Rs.15,00,001 to 25,00,000	Rs.1,44,500 + 20% of amount Exceeding Rs.15,00,000
6.	Rs.25,00,001 to 40,00,000	Rs.3,44,500 + 25% of amount Exceeding Rs.25,00,000
7.	Rs.40,00,001 to 60,00,000	Rs.7,19,500 + 30% of amount Exceeding Rs.40,00,000
8.	Exceeding Rs.60,00,000	Rs.13,19,500 + 35% of amount Exceeding Rs.60,00,000

Income Tax Rates for Salaried individuals for tax year 2018

1.	Up to Rs.4,00,000	0%
2.	Rs.4,00,001 to Rs.5,00,000	2% of amount Exceeding Rs.4,00,000
3.	Rs.5,00,001 to 7,50,000	Rs.2,000 + 5% of amount Exceeding Rs.5,00,000
4.	Rs.7,50,001 to 14,00,000	Rs.14,500 + 10% of amount Exceeding Rs.7,50,000
5.	Rs.14,00,001 to 15,00,000	Rs.79,500 + 12.5% of amount Exceeding Rs.14,00,000
6.	Rs.15,00,001 to 18,00,000	Rs.92,000 + 15% of amount Exceeding Rs.15,00,000
7.	Rs.18,00,001 to 25,00,000	Rs.1,37,000 + 17.5% of amount Exceeding Rs.18,00,000
8.	Rs.25,00,001 to 30,00,000	Rs.2,59,500 + 20% of amount Exceeding Rs.25,00,000
9.	Rs.30,00,001 to 35,00,000	Rs.3,59,500 + 22.5% of amount Exceeding Rs.30,00,000
10.	Rs.35,00,001 to 40,00,000	Rs.4,72,000 + 25% of amount Exceeding Rs.35,00,000
11.	Rs.40,00,001 to 70,00,000	Rs.5,97,000 + 27.5% of amount Exceeding Rs.40,00,000
12.	Exceeding Rs.70,00,000	Rs.14,22,000 + 30% of amount Exceeding Rs.70,00,000

TAX RATES FOR PROPERTY INCOME: Division VIA

The rate of tax to be paid under section 15 and 155, in the case of individual and association of persons, shall be as follows:-

S.No.	Gross amount of rent	Rate of tax
(1)	(2)	(3)
1.	Where the gross amount of rent does not exceed Rs.200,000.	Nil
2.	Where the gross amount of rent exceeds Rs.200,000 but does not exceed Rs.600,000.	5 per cent of the gross amount exceeding Rs.200,000.
3.	Where the gross amount of rent exceeds Rs.600,000 but does not exceed Rs.1,000,000.	Rs.20,000 plus 10 per cent of the gross amount exceeding Rs.600,000.
4.	Where the gross amount of rent exceeds Rs.1,000,000 but does not exceed Rs.2,000,000.	Rs.60,000 plus 15 per cent of the gross amount exceeding Rs.1,000,000.
5.	Where the gross amount of rent exceeds Rs.2,000,000.	Rs.210,000 plus 20 per cent of the gross amount exceeding Rs.2,000,000*]