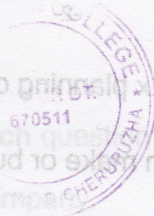




K24U 0182

Reg. No. :

Name :



**Sixth Semester B.Com. Degree (CBCSS – OBE – Regular/Supplementary/
Improvement) Examination, April 2024
(2019 to 2021 Admissions)**

Core Course

6B16COM (FINANCE – IV) : CORPORATE TAX PLANNING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark.

1. Define company u/s 2 (17).
2. What is tax planning ?
3. What is demerger ?
4. State any two differences between tax avoidance and tax evasion.
5. What do you mean by unilateral relief ?
6. What is foreign company ?
7. List any two tax planning for the employees.
8. What is tax management ?

(6×1=6)

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. Explain the tax incentives to demerged company.
10. What are the needs of tax planning ?

P.T.O.



11. Enumerate the possibilities of tax planning on residential status. Reg. No. :
12. Explain the tax considerations in make or buy decisions. Name :
13. Explain the tax benefits on conversion of a firm to a company.
14. Explain the tax planning provisions in respect of tea, coffee and rubber industry.
15. T Limited wants to raise capital of Rs. 20,00,000 for a Project where earning before tax shall be 40% of the capital employed. The company can raise debt fund @ 18% p.a. Suggest, which of the following 3 alternatives should it opt for :
- Rs. 20,00,000 to be raised by Equity Capital.
 - Rs. 16,00,000 by Equity and Rs. 4,00,000 by Loans.
 - Rs. 4,00,000 by Equity Capital and 16,00,000 by Loans.
- Assume the company shall distribute the entire amount of profit as dividend and tax rate is 27.82%.
16. Mr. A wants to start a business. Keeping in view the following information suggest him whether he should run the business as a sole proprietary concern or a partnership firm :
- Estimated profit Rs. 12,00,000
 - Capital of the business Rs. 10,00,000
 - If he runs the business as partnership firm :
 - He will gift Rs. 5,00,000 to his son B, as a gift to contribute his share of capital.
 - The firm will pay interest @ 12% p.a. to the partners.
 - Salary to A Rs. 40,000 p.m. and to B, Nil, as he will be a dormant partner.
 - Profit sharing ratio will be 3 : 2.

(6×3=18)



PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. Explain the tax incentives to amalgamated company.

18. Mr. X has received offers from companies of Delhi for service as under :

	A (Rs.)	B (Rs.)
Basic Salary	6,50,000	4,40,000
HRA	–	48,000
Travelling Allowance (office to residence)	–	19,600
Contribution to approved superannuation fund by the employer	–	1,20,000
Mobile phone	–	22,400
	6,50,000	6,50,000

Other information are :

- 1) His qualifying savings u/s 80C will be Rs. 50,000.
- 2) He will pay house rent Rs. 6,500 p.m.
- 3) He needs a mobile phone for private purposes.

Which offer should he accept and why ?

19. From the following information compute whether the assessee should purchase an asset or take on lease.

- 1) Cost of asset Rs. 1,00,000
- 2) Rate of depreciation 15%
- 3) Rate of interest 10%
- 4) Repayment of loan by the assessee Rs. 20,000 p.a.
- 5) Rate of tax 26%
- 6) Residual value Rs. 20,000 after 5 years.
- 7) Profit of the assessee Rs. 1,00,000 before depreciation, interest and tax / before lease rent and tax.
- 8) Lease rent Rs. 30,000 p.a.

(2×8=16)



K23U 0441

Reg. No. :

Name :

**VI Semester B.Com. Degree (CBCSS – OBE: Regular/Supplementary/
Improvement) Examination, April 2023
(2019 and 2020 Admissions)**

Core Course

6B16 COM (FINANCE – IV) : CORPORATE TAX PLANNING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark.

1. What is tax avoidance ?
2. Explain double taxation relief.
3. Explain corporate tax.
4. What do you mean by a foreign company ?
5. What is amalgamation ?
6. What is the need for tax planning ?
7. What do you mean by tax evasion ?
8. Explain minimum alternative tax.

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. What are the tax considerations in case of repair or replace decision ?
10. State the objectives of tax planning.
11. Explain tax planning in case of dividend decision.

P.T.O.

K23U 0441



12. Explain different types of companies.
13. Explain tax provision related to make or buy decision.
14. State the difference between tax planning and tax management.
15. Explain the elements to be covered in tax management.
16. What are the difference between tax avoidance and tax evasion ?

PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. Explain tax consideration in **setting up of new business**.
18. Explain tax planning regarding **employees remuneration**.
19. Evaluate "tax management is **essential**; tax planning is desirable and tax evasion is objectionable".