

Enrollment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY
Bachelor of Vocation - SEMESTER - II EXAMINATION - WINTER 2025

Subject Code: BV02008021

Date: 03-12-2025

Subject Name: Income Tax

Time: 02:30 PM to 04:30 PM

Total Marks: 50

Instructions

- 1. Attempt all questions.**
- 2. Make Suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**
- 4. Use of simple calculators and non-programmable scientific calculators are permitted.**

	Marks
Q.1 (a) Define Agricultural Income under the Income Tax Act. How is it different from non-agricultural income?	05
(b) Explain the exemption under Section 10(1) of the Income Tax Act with suitable examples.	05
Q.2 (a) What are the types of income that are classified under agricultural income? Support your answer with examples.	05
(b) Explain how agricultural income is treated for an individual and a Hindu Undivided Family (HUF).	05
OR	
(b) Explain the importance and impact of agricultural income exemption in rural economic development.	05
Q.3 (a) Describe the process of computing tax liability when a person has both agricultural and non-agricultural income.	05
(b) Define the terms Business, Profession, and Profit as per the Income Tax Act.	05
OR	
(a) What are the general deductions under Section 37? Give suitable examples.	05
(b) Discuss the impact of choosing cash vs mercantile system of accounting on the computation of income.	05
Q.4 (a) Discuss the deductions available under Sections 29, 31, 33, 36 with appropriate illustrations.	05
(b) Describe the methods of accounting permissible under the Income Tax Act and their implications on tax liability.	05
OR	
(a) Explain the Charging Section 28 of the Income Tax Act in relation to business income.	05
(b) Discuss the significance and application of Section 34 in relation to depreciation.	05

- Q.5 (a)** Define and explain the presumptive taxation schemes under Sections 44AD, 44ADA, and 44AE. **05**
- (b)** What is the significance of Section 44AB for tax audit? When is a tax audit mandatory? **05**

OR

- (a)** Explain the treatment of income in case of composite business activities under the Income Tax Act. **05**
- (b)** Explain the effect of exchange rate fluctuations on asset cost as per Section 43A. **05**
