

Question No.1

Define and explain the following terms with reference to Income Tax Ordinance 2001:

- a) Appellate Tribunal
- b) Industrial Undertaking
- c) Resident Company
- d) Tax

Question No.2

Explain the legal provisions governing the exemption of the following under the second schedule of the Income Tax Ordinance 2001:

- a) Agricultural Income
- b) Amount of Gratuity
- c) Profit on debt
- d) Medical Charges or Hospital Charges

Question No.3

What are the different types of perquisites enjoyed by the salaried individual, Discuss?

Question No.4

What are the allowable deductions under section 15A in respect of “Income from property”

Question No.5

Discuss the powers and functions of the Federal Board of Revenue?

Question No.6

Define and explain the following terms with reference to Sales Tax Act 1990

- a) Associates
- b) Return
- c) Manufacturer or Producer
- d) Input Tax

Question No.7

Calculate Sales Tax Liability of Mr. Zeeshan Ahmad being a registered manufacturer from the following dates for the month of August 2018:

Taxable supplies to registered person	Rs. 25,00,0000
Taxable supplies to needy person	150,000
Taxable supplies @ 20% discount (normal business practice)	100,000
Taxable supplies to associated person (open market price = Rs. 170,0000)	130,000
Advance Payment received in respect of taxable supplies	350,000
Goods pledge with a bank were disposed off by the Bank for satisfaction of debt (normal selling price = Rs. 250,000)	200,000
Free Samples	180,000
Export Sales	160,000
Purchases from registered person (tax invoice available of Rs. 360,000)	500,000
Purchase raw material used in taxable & exempted supplies	180,000
Acquisition of fixed asset from registered person	500,000
Imported goods	120,000
Purchase of gift items for customers	50,000

Question No.8

From the following data, calculate income tax payable by Mr. Sultan Baig for the tax year ending 30th June 2018:

1. Basic salary Rs. 50,000 per month in the scale (Rs. 40,000-4,000-54,000)
2. Bonus Rs. 100,000
3. Entertainment allowance Rs. 50,000
4. House rent allowance at 60% of the minimum time scale.
5. Conveyance allowance Rs. 80,000
6. Tax paid by the employer Rs. 35,000
7. Loan received from father through crossed cheque Rs. 250,000
8. Re-imbursment of internet bill (used for office) Rs. 38,000
9. Encashment against unavailed leave Rs. 27,000.
10. Interest free loan obtained from employer RS. 12,00,000.
11. Medical allowance Rs. 66,000
12. Tution Fe of (3) school children Rs. 42,000
13. Share from AOP Rs. 10,000
14. Donation to Government Hospital Rs. 80,000
15. Hotel bills paid by the company relating to official duties Rs. 55,000
16. Received Income tax refund related to tax year 2016 Rs.20,000
17. TV and Refrigerator provided by the employer only for use of employee costing Rs. 200,000
18. On which the company charged depreciation @ 20% in its books of accounts.

Sr.	Taxable Income	Rate of Tax
1	Where the taxable income exceeds Rs. 7,50,000 but does not exceed Rs. 14,00,000	Rs.14,500+10% of amount exceeding Rs. 7,50,000
2	Where the taxable income exceeds Rs.14,00,000 but does not exceed Rs. 15,00,000	Rs.79,500+12.5% of amount exceeding Rs. 14,00,000
3	Where the taxable income exceeds Rs. 7,50,000 but does not exceed Rs. 14,00,000	Rs.92,000+15% of amount exceeding Rs. 15,00,000