

7.7.20

Law & Taxation.

B. Com III part.

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Question.

State which of the following incomes, are exempt from tax and which are taxable.

- (i) Income on Relief Bond
- (ii) Interest on Saving Bank Account in Canara Bank.
- (iii) Income from speculation business of share.
- (iv) Received from recognised provident fund on retirement
- (v) Share in Income of Hindu Undivided Family.
- (vi) Salary of Member of Parliament.
- (vii) Income of Institute of Company Secretaries of India.
- (viii) Income of Agricultural land situated at Bangladesh.
- (ix) Income received from lottery
- (x) Long term capital gain on share on 1.1.2019.

Ans.

- (i) Interest on Relief Bond (Tax Free)
Income on these Bond is exempted
u/s. 10(15) of Income Tax Act.
- (ii) Interest on Saving Bank A/c in Canara
Bank. No interest on S.B Account is
exempted u/s. 10 Hence Taxable.
- (iii) Income from speculation business
of share (Taxable) No part of
speculation business is Tax free under
Income Tax Act.
- (iv) Maturity Amt received from Recognised
Provident fund on Retirement (Tax free)
It is fully exempted.
- (v) Share in Income of Hindu Undivided
Family (Tax Free). It is fully exempted
- (vi) Salary of member of Parliament.
(Taxable) u/s. 10(17) of Income Tax Act,
except salary to M.P's and M.C.A. All
allowances received by them are exempt.
- (vii) Income of Institute of Secretaries
of India (Exempt) It is not taxable under
Income Tax Act.
- (viii) Income from Agricultural land from
Bangladesh. (Taxable.)
- (ix) Income from Lottery Taxable.
(x) Long term capital gain on share-1.1.19 Taxable