

16.7.20

Law & Taxation.
B. Com Part III

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Question.

From the following information compute the capital gains for the Assessment year 2019-20

	House I	House II
date of purchase..	May 1997	Dec 1990
cost of acquisition	190 000	350 000
cost of a additional contract in 1990	10 000	25 000
fair Market value of 1 Apr 2001	175 000	350 000
cost of additional Construct 2014-15	51 800	77 700
Sales Proceeds of property in 2018-19	17 48 200	29 39 600
Cost inflation index 2001-02 - 100, 2018-19 - 280		

Ans-

Computation of taxable gain

	House I	House II
Sales -	17 48 200	29 39 600

(-) Cost of Acquisition

House - I

$$190 000 \times \frac{280}{100} = 532 000$$

House II

$$350 000 \times \frac{280}{100}$$

$$980 000$$

$$77 700 \times \frac{280}{240}$$

$$90 650$$

$$5 92 433$$

$$10 706$$

Additional
Constr.

$$51 800 \times \frac{280}{240}$$

$$60 433$$

$$980 000 + 90 650$$

Long Term Capital
gains.

$$11 55 767 \quad 18 68$$