

**ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Commerce)**

BUSINESS TAXATION (456)

CHECKLIST

SEMESTER: AUTUMN, 2013

This packet comprises the following material: -

1. Text Book (One)
2. Assignment No. 1, & 2
3. Assignment Forms (Two sets)
4. Schedule for Submitting Assignments and Tutorial Meetings

If you find anything missing in this packet, please contact at the address given below:

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WARNING

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENT(S) BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

Course: Business Taxation (456)
Level: BA/B.Com

Semester: Autumn, 2013
Units: 1-9

ASSIGNMENT No. 1

(Units: 1-4)

Total Marks: 100

Note: You are required to solve all questions if you are unable to understand any question of assignment, do seek help from your concerned tutor. But keep in mind that tutors are not supposed to solve the assignment questions for you.

- Q. 1 Define the following terms with reference to Income Tax Ordinance, 2001: (20)
- a) Agricultural Income
 - b) Tax Year
 - c) Speculation Business
 - d) Royalties
- Q. 2 Explain the legal provisions governing the exemption of the following items under Income Tax (amendment) Ordinance, 2001: (20)
- a) Income of Educational Institutes
 - b) Income of Governments
 - c) Pensions
 - d) Income of Trusts
- Q. 3 Why is the distinction capital and revenue expenditure important according to Income Tax Ordinance, 2001? Enlist at least five examples of capital and revenue expenditures. (20)
- Q. 4 Explain the allowances and deductions allowed under the head "income from business". (20)

- Q. 5 From the following information, calculate taxable income and tax payable by Mr. Jamil Javed: **(20)**

Details	Amount (Rs.)
Basic salary per month	19,500
Special pay per month.....	3,000
Bonus for the year	38,000
Conveyance allowance per month.....	1,500
Free accommodation provided by the employer. He was entitled to a house allowance of	72,000
Medical expenses reimbursed by his employer under employment contract..	24,000
Zakat paid under Zakat and Ushr Ordinance, 1980 during the year.....	11,300
Donation to approved charitable institutions.....	15,000
Legal expenses during the year	6,000
Amount paid for approved pension scheme during the year.....	90,000
Shares of listed companies purchased	6,000
Expenses on education of three children	45,000
(fee of any child does not exceed).....	30,000

ASSIGNMENT No. 2

(Units: 5–9)

Total Marks: 100

- Q. 1 Describe the different stages of assessment cycle. Discuss legal provisions regarding amendments in assessment. **(20)**
- Q. 2 Discuss the penalties or prosecution for the following offences committed: **(20)**
- a) Failure to Furnish Statements
 - b) Penalty for Concealment of Income
 - c) Penalty for Non-Payment of Tax
 - d) Prosecution for Obstructing a Taxation Officer
- Q. 3 If a taxpayer sustains loss in any source of income, discuss legal provisions regarding set off and carry forward of losses for him. **(20)**
- Q. 4 Discuss in detail the legal provisions regarding furnishing of return under Sales Tax (amendment) Act, 1990. **(20)**
- Q. 5 Discuss the legal provisions regarding the charge and collection of Zakat and Ushr under Zakat and Ushr Ordinance, 1980. **(20)**