



CARDAMOM PLANTERS' ASSOCIATION COLLEGE

(Re-accredited with 'B' Grade by NAAC)

Pankajam nagar, Bodinayakanur – 625 582

PG and research department of commerce

Income from Person



Dr.V. KRISHNAKUMAR, Ph.D.,

Assistant Professor,

PG and research department of commerce

CPA College Bodinayakanur.

Shri Lakshmi Singh 59 years old a sales executive in Delhi gets the following emolument during previous year

Basic pay ₹ 400 per month

DA ₹ 200 per month

Entertainment allowance ₹ 450 pm

Special allowance ₹ 100 pm

House rent allowance ₹ 900 pm, Rent paid by her ₹ 1600 per month

Helper allowance for domestic use ₹ 500 pm

Employer provides a car for both official and personal use.

Employer also provides club facility for Lakshmi Singh. Expenditure of the employer ₹ 12,100

Employer contribution to RPF is ₹ 700 pm.

She contributes ₹ 800 pm

Interest credited at 18% in provided fund is ₹ 30000

Income from other sources 5,17,900

Mr. Lakshmi Singh pays a Insurance premium F100 on sum assured 50,000.

Compute the total Income and Tax liability of Lakshmi Singh for the assessment year

2022-23

Soln.

Name: Mr. Lakshmi Singh.

Assessment year: 2022-23.

Previous year: 2021-22.

Status: Individual

PAN: xxxxx

Computation of Total Taxable Income of Mr. Lakshmi Singh for the assessment year 2022-23

Particulars	₹	₹
I) Income from salary		
Basic pay (5400x12)	64,800	
Dearness Allowance (200x12)	2,400	
Entertainment allowance (1450x12)	5,400	
Special Allowance (100x12)	1,200	
House Rent allowance		
1. Actual HRA Received (100x12) - <u>10,800</u>		
2. Rent paid - 10% Salary - 10,480		
(1600x12) (19200-6720)		
3. 50% of 67200 - 33600		
		WEL

Helper Allowance (1500x12)	6000	
Car (1800x12)	21,600	
Employer contribution (700x12)	-	
Interest on RPF $\frac{30000}{18} \times 9.5$	14,167	
	1,27,667	
(-) Standard Deduction	50000	
	77,667	
(-) Deduction u/s 16(ii)	-	
Deduction u/s 16(iii)	-	
		77,667
Income from salary		5,17,900
Income other sources		
From Total Income		59,556
(-) Deduction u/s 80C to 80D		
80C	1000	
i) LIC		
ii) Employer contribution RPF @ (800x12)	9,600	10,600
		584,967
Total Taxable Income		(or) 5,18,970

Illustration-1 (Pg. No: 490)

From the following information compute tax liability by Mr. Ram for the Assessment year 2022-23

1. Income from House property (computed) 80,000
2. Interest on Government Securities 10,000
3. Long-term Capital Gain U/S 112 150,000
4. Income from Business 10,55,000
5. Agricultural Income 1,00,000
6. Amount withdrawn from Public Provident Fund 50,000
7. Purchase N.S.C. - VIII 30,000
8. Deposited in PPF 60,000
9. Subscription to eligible issue of capital 25,000.

Computation of total Taxable Income
for Mr. Ram for the assessment
year 2022-23

Particulars	₹	₹
Income from House property		80,000
Income from Business		10,55,000
Long term Capital Gain		50,000
Income from other sources		
Interest on Govt Securities		10,000
Grand Total Income		11,95,000
(-) Deduction U/S 80C: Max. ₹	1,50,000	1,25,000
Total Income		10,70,000
Add: - Aggregate Income		10,000
Aggregate Income		11,00,000

Computation of total tax liability
of Mr. Ram for the assessment year
2022-23

Particulars	Tax Rate	Tax amount
Tax on LTCG ₹ 50,000 @	20%	10,000
Tax on ₹ 2,50,000	-	-
Tax on ₹ 2,50,000	5%	12,500
Tax on ₹ 5,00,000	20%	1,00,000
Tax on ₹ 1,20,000	30%	36,000
(-) Tax on Agricultural Income on ₹ 50,000 ₹ 10,000		1,58,500
		5,000
		1,53,500

