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Daffodil International University

Faculty of Business & Entrepreneurship

Department of Business Administration

Program: BBA

Semester: Fall-2025
Time: 1 Hour and 30 Minutes
Course Code: 0411-323
Section: 64-A/64-B/64-C/64-D

Examination: Mid-term
Full Marks: 25
Course Title: Income Tax Accounting
Teacher's Name: RM/MRI/Imrul

Answer all the questions.
Figures in the right-hand margin indicate marks.

1.Explain the concepts of income year, assessment year, assessee, and person. L-2; CLO-1 [3]

2.Explain the rules of determining residential status of an individual taxpayer and the effects of residential status in assessing total income. L-2; CLO-1 [3]

3.Mr. Abir Hasan is a service holder. He received basic salary (BS) Tk. 40,000 per month; dearness allowance 10% of BS; two festival bonuses, and one performance bonus, each equal to one month's BS. He has been provided with a rent-free quarter, the annual rental value of which is Tk. 2,16,000. He has been provided with a 2000 cc car for both office and private use. Besides he is also provided with Tk. 1,500 per month as conveyance allowance and medical allowance of Tk. 3,000 per month (actual expense was Tk. 25,000), and received Tk.10,000 as traveling allowance for official purpose. He has also been provided with telephone facilities at his residence. The telephone bill reimbursed for the year amounted to Tk. 12,000. Both Mr. Hasan and his employer contributed @ 10% of BS to a recognized provident fund and received interest Tk 3,500 @13% on the fund. From the previous employer, he received compensation Tk 60,000; gratuity Tk. 80,000 and overtime allowances Tk. 5,000. He contributed 1% of his BS to a group insurance scheme, and deposited Tk. 12,000 monthly in Dutch-Bangla Bank PLC. Additionally, contributed Tk. 20,000 (policy value Tk. 250,000) in a life insurance policy of MetLife Bangladesh and purchased shares of a partnership firm of Tk. 50,000.

Required: **Examine** the above information to compute taxable income from employment and net tax liability. L-4; CLO-3 [7]

4.Mr. Habib is the owner of a three-storied building at Mirpur in Dhaka. He resides with his family on one floor and the other two floors were let out for residential purposes. According to the agreements, the tenants must deposit Tk. 65,000 per floor into his bank account every month. In the income year 2023–2024, he received a security deposit of Tk. 1,000,000 (not adjustable against rent) from each tenant. During the current income year, the tenants paid a total of Tk. 50,000 in service charges in accordance with the agreement. He also received Tk. 15,000 for letting out the rooftop community hall of the building for a birthday party. During the year, one floor was vacant for one month and he has electricity bill as proof. He paid the following expenses related to the property for the year: repair expenses Tk 250,000; city corporation tax 24,000; insurance premiumtk.15,000; caretaker and night guard salary Tk. 112,500; painting cost of the building Tk. 25,000; land revenue paid Tk. 3,000; mortgage interest paid Tk.60,000; legal expense Tk. 6,000; alteration cost for ground floor Tk. 30,000; installation of generator Tk. 50,000; and fuel cost of generator Tk. 35,000.

Required: Use the given information in computing taxable income from rent for the year. L-3; CLO-2 [7]

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5.Mr. Abul Hashem is a farmer whose only income is from agriculture and he maintains books of accounts properly. For the current income year, he has the following particulars of agricultural incomes: sale of rice 150 maunds @ Tk 710 per maund; sale of potato 300 maunds @ Tk 150 per maund; income from borga Tk 40,000; lease of agricultural land Tk 300,000. Expenses relating these incomes were: cost of seeds and fertilizer Tk 36,500; labor charge Tk 40,000; maintenance costs of agricultural equipment Tk 4,000; union parisad tax Tk 5,800; crop insurance premium Tk 8,200; depreciation on tractor @ 15% Tk 15,000. Mr. Hashem borrowed fund from Krisi Unnayon Bank Tk 40,000 @ 15% on 15th September of the income year. Allowable depreciation for tractor as per the 3rd schedule of the ITA, 2023 is at the rate of 10%.

Required: **Examine** the given information to compute taxable income from agriculture. L-4; CLO-3 [5]

40,000 X 15%

6000