INCOME FROM HOUSE PROPERTY

(age: 22 years)

72 E1. Mrs X has occupied 2 houses for her residential purposes, particulars of which are as follows:

	House - I Rs	House - II Rs
Municipal valuation ...	30,000	90,000
Fair rent ...	28,000	95,000
Standard rent ...	20,000	80,000
Municipal taxes paid ...	3,000	9,000
Interest on borrowed capital ...	400	12,000
Repairs ...	nil	100

Business income of Mrs. X is Rs 3,86,000. Besides, Mrs. X is employed by a private limited company on a monthly salary of Rs 18,500. Every year she contributes Rs 1,22,000 towards public provident fund. Determine the taxable income and tax liability of Mrs. X for the assessment year 20[illegible] ~~2008-09~~.

(Rs 4,96,300 & Rs. 12,810)

(age: 36 years)

72 E2. X, a salaried employee (drawing Rs ~~32,000~~ 30000 per month as salary) has occupied 3 houses for his residential purposes, particulars of which are as follows:

	House I	II	III
	Rs	Rs	Rs
Standard rent under the Poona Rent Control Act ...	33,000	55,000	40,000
Municipal valuation ...	40,000	60,000	40,000
Fair rent ...	43,000	58,000	48,000
Municipal taxes paid ..	3,000	6,000	4,000
Repairs ...	nil	nil	nil
Ground rent due but outstanding ...	200	–	300
Insurance premium due but outstanding ...	300	400	500

X borrows Rs 10,000 @ 12% per annum for construction of House - II (date of borrowing June 1, ~~2008~~ 2017, date of repayment of loan May 31, 2019)

Construction of all the houses is completed in August ~~2010~~ 2019. Determine the taxable income and tax liability of X for the assessment year 2020-21, on the assumption that X contributes Rs 1,06,000 towards statutory provident fund and Rs 2,000 towards National Relief Bonds.

(Rs 2,99,560 ; ~~Rs 60,761~~
Nil ~~Rs 8,070~~)

72-E3/1

X (age: 31 years) owns 4 houses (outside the Jurisdiction of any Rent Control Act) particulars of which are as follows:

	I Rs	II Rs	III Rs	IV Rs
Municipal value ..	40,000	6,000	16,000	60,000
Fair rent/Rent --	50,000	8,000	22,000	55,000
Rent (if property is let out for the whole of the previous year) - - - - - - -	–	–	–	72,000
unrealised rent --	–	–	–	3,000
Municipal tax paid by X - - - - - -	1,000	500	1,000	6,000
Date of completion of construction --	June 16, 1991	June 15, 1972	June 14, 1998	March 31, 1998
Repairs - - - - - -	Nil	2,000	500	Nil
Collection charges --	–	–	–	300
Land revenue ~~due but not unpaid~~ --	200	–	100	500
Interest on borrowing made for repairs of house property --	1,000	200	400	600
Interest on borrowing made for construction of house property - - - - -	3,700	–	–	–

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	I	II	III	IV
	Rs	Rs	Rs	Rs
Interest on capital borrowed for payment of taxes ...	300	—	200	600
Nature of occupation	Self-occupied for residence	Self-occupied for business	Self-occupied for residence	Let-out for residence

House IV remains vacant for Jan ~~2012~~ 2020.

Business income of X for the previous year ~~2011-12~~ 2019-20 is Rs 2,80,000. Determine the taxable income and tax liability of X for the assessment year ~~2012-13~~ 2020-21 on the assumption ~~that he could not occupy House III for~~ 2 months during the previous year and X pays insurance premium of Rs 65,000 on his insurance policy of Rs 3,20,000 (policy taken in 2012).

(Rs 3,63,900 ~~& Rs 8,640~~)

& Rs 5,920