

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

**BUSINESS TAXATION (456)**

**CHECKLIST**

**SEMESTER: SPRING, 2014**

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: Spring, 2014**  
**Total Marks: 100**  
**Pass Marks: 40**

**ASSIGNMENT No. 1**  
**(Units: 1–4)**

- Q. 1 Define the following terms with reference to Income Tax Ordinance 2001: (20)
- (a) Person
  - (b) Pakistan Source of Income
  - (c) Dividend
  - (d) Taxable Income
- Q. 2 Define the term salary. Explain the perquisites enjoyed by an employee and their treatment for the sake of calculating taxable income. (20)
- Q. 3 (a) Write a detailed note on "Income from Other Sources" as fifth source of income. (10)
- (b) Calculate tax liability from the following information: (10)
- |  |             |
|--|-------------|
| Income from salary   | Rs. 500,000 |
| Income from business   | Rs. 100,000 |
| Gain on sale of Modarba Certificates (Sold after 12 months)      | Rs. 20,000  |
| Gain on sale of shares of Public Company (Sold after 6 months)   | Rs. 28,000  |
| Gain on sale of shares of Private Company (Sold after 12 months) | Rs. 30,000  |
| Gain on sale of Antiques (Sold within 12 months)                 | Rs. 32,000  |
- Q. 4 What do you understand by assessment? Describe assessment cycle with reference to Income Tax Ordinance 2001 (amended). Also, discuss legal provisions regarding amendments in assessment. (20)

- Q. 5 From the following information, calculate taxable income and tax payable by Mr. Jamil Javed, born in 1950 and working as a full time teacher: **(20)**

<b>Details</b>	<b>Amount (Rs.)</b>
Income from salary	650,000
Income from business (including foreign income Rs. 150,000)	200,000
Tax paid in foreign	25,000
Income from other sources (including profit on Behbood Saving Certificates Rs. 140,000)	150,000
Donation to HEC Recognized University	20,000
Zakat paid under Zakat & Usher Ordinance, 1980	10,000
Tax deducted at source from salary	10,000

## **ASSIGNMENT No. 2**

**(Units 5–9)**

- Q. 1 Describe the various ways through which income tax authorities can recover tax if a person fails to pay his tax liability. **(20)**
- Q. 2 Discuss any ten (10) of the offences in which the penalties and prosecution may be taken against the offender. **(20)**
- Q. 3 Discuss legal provisions regarding set off and carry forward of losses in case a taxpayer sustains the following types of losses: **(20)**
- (i) Business loss
  - (ii) Capital loss
- Q. 4 Define the following terms with reference to Sales Tax Act, 1990: **(20)**
- (a) Associates
  - (b) Manufacturer or Producer
  - (c) Zero rated supply
  - (d) Value of supply
- Q. 5 Explain various types of sales tax returns required to be furnished under Sales Tax Act, 1990. **(20)**

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