

(b) Tax liability (ignore additional fee)

3+2

**15. 2063 Q. No. 11**

Mr. Ranjan disclosed the following incomes and expenditures for the previous year.

• Dividend from resident company	Rs. 28,500
• Royalty from natural resources after TDS	Rs. 127,500
• Interest from private money lending transactions	Rs. 28,000
• Interest from saving deposit	Rs. 5,640
• Interest from fixed deposit	Rs. 9,400
• Rent from house letout	Rs. 170,000
• Compensation received relating to investment	Rs. 100,000
• Exchange gain received relating to investment	Rs. 45,000

He claimed the following expenses for deduction:

• Collection cost of dividend.	Rs. 500
• Collection cost of natural resources payments	Rs. 800
• Interest collection charge relating to money lending transactions	Rs. 1,000
• House rent collection charges	Rs. 500
• Collection cost of saving and fixed deposit	Rs. 500 each
• Compensation collection cost	Rs. 1,500

**Required:** Net (assessable) income from investment.

5

**16. 2062 (C) Q.No. 8**

Mr. Kumar furnished the following particulars of his income for the previous year.

- Net (assessable) income from employment Rs. 200,000
- Net (assessable) income from business Rs. 300,000
- Net (assessable) income from investment Rs. 100,000

He disclosed the following additional information:

- Donation given to a public hospital Rs. 50,000
- Medical expense incurred during the year Rs. 4,000
- Bad debts recovered of Rs. 20,000 was not included in above business income.

**Required:** Tax liability of Mr. Kumar (ignore special fee of 3%)

[5]

**17. 2062 (C) Q.No. 12**

Mrs. Anita furnished the following particulars of her income and expenditure for the previous year:

a. Rent from house after TDS	Rs. 85,000
b. Royalty from natural resources after TDS	Rs. 100,000
c. Interest from and fixed deposit	Rs. 50,000
d. Interest on money lending	Rs. 60,000
e. Interest on foreign investment where there is no agreement to avoid double tax (net)	Rs. 70,000

Expenditure claimed:

a. Income tax paid in foreign investment	Rs. 10,000
b. Repair of rented house	Rs. 7,000
c. Royalty collection charges	Rs. 5,000

**Required:** (a) Net (assessable) Income from investment

(b) Tax liability (ignore special fee of 3%)

[4+2]

**18. 2062 (F) Q.No. 8**

Mr. Subedi disclosed the following particulars of his assessable incomes for the previous year:

Net (assessable) Income from Employment	Rs. 162,000
Net (assessable) Income from Profession	Rs. 250,000

He claims for deduction were:

- Life insurance premium of Rs. 4,000 on a policy of Rs. 75,000 on his own life.
- Donation to a local hospital Rs. 15,000
- His working place lies in Zone B

**Required:** ① Statement of Total Income ② Tax payable amount (ignore special fee)

[3+2]

**19. 2062 (F) Q.No. 11**

Given below are the details furnished by Mr. Gautam about his incomes and expenditures for the previous year.

Rent from house letout after TDS	Rs. 85,000
Interest on Fixed Deposits after TDS	Rs. 9,400
Interest on Saving Deposit after TDS	Rs. 940
Interest on private money lending transaction	Rs. 60,000
Royalty from writing books after TDS	Rs. 42,500
Dividend from Resident Company after TDS	Rs. 9,500
Royalty from natural resource after TDS	Rs. 170,000

His claims for deduction were:

Collection cost of interest:	• Fixed deposit	Rs. 300
	• Saving Deposit	Rs. 200
	• Money lending transaction	Rs. 1,200
Collection cost of royalty:	• Writing books	Rs. 1,800
	• Natural resources payment	Rs. 15,000
Collection cost of rent:	• House letout	Rs. 500

Expense relating to dividend Rs. 500

**Required:** Net (assessable) Income from Investment

**20. 2061 (C) Q. No. 8**

Mr. A submitted the following particulars of his incomes for the previous year

• Net (assessable) income from employment	Rs. 136,000
• Net (assessable) income from profession	Rs. 176,000
• Net (assessable) income from investment	Rs. 38,000

He claimed the following expenses for deduction:

• Donation to a registered political party	Rs. 50,000
• Tax paid in advance	Rs. 75,000

**Required:** (a) Statement of total income. (b) Tax liability (ignore special fee)

[4+1]

**21. 2061 (C) Q. No. 12**

Mr. P submitted the following details of his incomes and expenditures for the previous year.

• Interest on private money transactions (gross)	Rs. 75,000
• Interest on saving accounts (net)	Rs. 9,400
• Royalty from natural resources (gross)	Rs. 100,000
• Interest on taxable government securities (net)	Rs. 18,800
• Dividend from Nepal Bank Ltd. (gross)	Rs. 9,500
• Money found lying in the street (gross)	Rs. 100,000

Expenses claimed for deductions:

• Expenses relating to natural resources	Rs. 1,000
• Interest collection cost of private lending	Rs. 5,000

**Required:**

- Net (assessable) income from investment
- Tax liability (ignore special fee)

[4+2]

**22. 2061 (F) Q. No. 7**

Mr. Santosh furnished the following particulars of his income for the previous year:

Net (assessable) income from employment	Rs. 200,000
Net (assessable) income from investment	Rs. 100,000
Net (assessable) income from business	Rs. 150,000

He has claimed the following expenses for deduction

- Contribution to provident fund as per government rule
- Donation to political party (approved) of Rs. 5,000

**Required:** Tax liability of Mr. Santosh (ignore special fee)

[5]

**23. 2061 (F) Q. No. 11**

Mr. Suman furnished the following particulars of his income and expenditure for the previous year.

• Rent from house let out	Rs. 50,000
• Royalty from natural resources	Rs. 1,20,000
• Interest on fixed deposit	Rs. 40,000
• Dividend received from resident company	Rs. 50,000
• Interest on private money lending transaction	Rs. 70,000
• Amount received on maturity of life assurance policy (net)	Rs. 1,20,000

He has claimed the following expenses for deduction.

- Rent collection charges of Rs. 500
- Interest collection charges of private money lending transaction of Rs. 1,000
- Expenses relating to dividend income is Rs. 600
- Expenses of natural resources Rs. 800

**Required:** (a) Net (assessable) income from investment.

[4]

(b) Tax liability (Ignore special fee)

[2]

**24. 2060 (C) Q. No. 8**

Mr. Gurung submitted the following incomes for the previous year.

Net income from remuneration	Rs. 175,000
Net income from business run by his wife	75,000
Net income from other sources	15,000
Net income from house and land rent	40,000

His claims from deduction are:

Life insurance premium on a policy of Rs. 150,000 on his own life	Rs. 6,000
Donation to renovation of spout water in his area	8,000
Donation to PM Relief Fund	10,000

**Required:** Statement of net total income

[5]

**25. 2060 (F) Q. No. 8**

Mr. Pathak disclosed the following income from different sources for the previous year:

- (i) Net income from remuneration Rs. 170,000
- (ii) Net income from business Rs. 80,000
- (iii) Net income from other sources Rs. 30,000

On scrutiny, it is found that a bonus of Rs. 30,000 (the actual amount paid) had been charged in the profit and loss a/c before determining the above. Net income from business. A donation of Rs. 10,000 was paid to a public school.

**Required:** ① Statement of total income ② Tax liability

[3+2]

**26. 2060 (F) Q. No. 10**

Mr. Manandhar furnished the following particulars of his income for the previous year:

- (i) Rent from sub letting a house Rs. 90,000
- (ii) Agriculture income Rs. 50,000
- (iii) Dividend from Indian company Rs. 20,000
- (iv) Receipts from letting plant and furniture Rs. 60,000
- (v) Income from hose rent Rs. 150,000
- (vi) Income from writing articles Rs. 10,000

He claimed the following expenses for deduction:

- (i) Rent paid on sub-letted house Rs. 50,000
- (ii) Dividend collection charges Rs. 4,000
- (iii) Repair of rented house Rs. 15,000
- (iv) Stationery purchased to write articles Rs. 3,000
- (v) Depreciation of plant and furniture Rs. 5,000

**Required:** Net income from investment.

[5]

**27. 2060 (F) Q. No. 11**

Mr. Rajan, an auditor earned audit fees of Rs. 150,000 from his audit firm in previous year. Besides, he furnished the following particulars of his incomes and expenditures.

- (i) Profit on sale of residential house Rs. 30,000
- (ii) Salary received of Rs. 50,000 by delivering lecture in different campuses as a part-time teacher.
- (iii) Consultation fees received Rs. 30,000
- (iv) He is a board member of RNAC and received meeting fees of Rs. 10,000
- (v) He spent Rs. 1,300 for books and periodical related to his salary income.

**Required:** Taxable income of Mr. Rajan.

[5]

**28. 2059 (C) Q. No. 5**

Mr. Basanta furnished the following particulars of his incomes.

- |                            |            |
|----------------------------|------------|
| • Salary income            | Rs. 95,000 |
| • Net income from business | Rs. 31,000 |
| • Income from investment   | Rs. 20,000 |

He claimed the following expenses for deduction Mr. Basanta is a member of RPF

- |                                                                 |           |
|-----------------------------------------------------------------|-----------|
| • Donation to sport club                                        | Rs. 4,000 |
| • Life insurance premium of his wife                            | Rs. 5,000 |
| • Life insurance premium of his own (on a policy of Rs. 90,000) | Rs. 5,000 |
| • Collection charges on income from other sources               | Rs. 1,000 |

**Required:** Tax liability for previous year.

[5]

**29. 2059 (C) Q. No. 9**

Mr. Rajesh furnished the following particulars of his income for the previous year:

a. Net income from remuneration	Rs. 200,000
b. Net income from business	Rs. 85,000
c. Net income from investment	Rs. 35,000

He claims the following expenses:

a. Personal expenses	Rs. 10,000
b. Donation to a university	Rs. 30,000
c. Life insurance premium on a policy of Rs. 150,000	Rs. 12,000

**Required:** Tax liability of Mr. Rajesh.

[5]

**30. 2059 (F) Q. No. 13 OR**

Given below are the particulars of income and expenditures of Mr. Rana for the previous year

Dividend from Soaltee Ltd. (Gross)	Rs. 30,000
Receipts from letting of plant and machinery	Rs. 20,000
Bank charges for collection of dividend	Rs. 100
Insurance premium in respect of plant and machinery	Rs. 500
Depreciation allowed	Rs. 1,000
Repairs to plant and machinery	Rs. 300

**Required:** Net income from investment.

[5]

**31. 2058 (C) Q. No. 8**

Mr. Gurung furnished the following particulars of his incomes and expenses pertaining to the previous year:

- |                                                              |             |
|--------------------------------------------------------------|-------------|
| (i) Net profit from business                                 | Rs. 160,000 |
| (ii) Amount received from a lottery                          | Rs. 50,000  |
| (iii) Gain on sale of a piece of land                        | Rs. 40,000  |
| (iv) Rent from a piece of land provided for vehicles parking | Rs. 5,000   |
| (v) Donation to Pashupati Development Trust                  | Rs. 30,000  |
| (vi) Cost of lottery ticket                                  | Rs. 100     |
| (vii) Tax deducted at source on business incomes             | Rs. 10,000  |

Required: Tax liability of the assesses for the relevant assessment year. [5]

32. 2058 (F) Q. No. 4

Mr. A submitted the following incomes to the tax authorities:

- Salary from a private firm Rs. 8,000 p.m.
- Income from a business run by his wife Rs. 265,000
- Income from house and land rent-Rs. 5,500 p.m.

He claims the following expenditures:

- Purchase of books and newspaper Rs. 10,000
- Life insurance premium Rs. 2,900 on a policy of Rs. 50,000
- Ground and municipal tax Rs. 300.

Required: ① Statement of taxable income ② Tax liability [5+3]

33. 2058 (F) Q. No. 12

Mr. Samir Pradhan is a housing agent. He had adopted agency service as his main occupation, however he provides other services also. The following are his sources of income during the previous year.

i. Amount received on agency services	Rs. 60,000
ii. Amount received on account of sub letting house	Rs. 20,000
iii. Interest received on fixed deposit	500
iv. Amount received from agriculture from India	2,000
v. Amount received by letting own houses	5,000
vi. Dividend from Nepalese companies	2,000
vii. Gain on sale of share	500

He has claimed the following expenses for deductions:

i. Transport cost for rendering services	12,000
ii. Rent paid to landlord	10,000
iii. Repair of let out house	300

Collection expenses for

• Rent	Rs. 3,000
• Dividend	Rs. 200
• Agriculture	Rs. 400
• Donation to a high School	Rs. 3,000

Required: Taxable income of Mr. Pradhan. [5]

34. 2057 (C) Q. No. 5

Mr. Shrestha, a sales representative furnished the following particulars of this income for the previous year:

a. Gain on sale of shares	Rs. 200,000
b. Commission on sale	Rs. 120,000
c. Gain on unrecorded import and export business	Rs. 50,000
d. He worked as part-time accountant in a medical firm on a monthly salary of	Rs. 5,000

He claims the following expenses for deduction:

i. Maintenance cost of vehicle used for business	Rs. 800 p.m.
ii. Penalty paid on import business	Rs. 10,000

Required: Taxable income of Mr. Shrestha. [5]

35. 2057 (C) Q. No. 8

Mr. Pradhan furnished the particulars of his income as follows:

a. Net income from remuneration	Rs. 120,000
b. Net income from business run by his wife	Rs. 50,000
c. Net income from other sources	Rs. 10,000

He claimed following expenses for deductions:

a. Donation to a religious trust	Rs. 25,000
b. Life insurance premium a policy of Rs. 100,000	Rs. 10,000

Required: Tax liability payable by Mr. Pradhan. [5+2]

**36. 2057 (F) Q. No. 5**

Mr. Shrestha works as an Export Agent of Nepalese Carpet. He furnished the following particulars of his income for the previous year.

Commission on sale of carpet	Rs. 200,000
Gain on sale of old house	Rs. 25,000
Prize received on car race	Rs. 50,000
Gain on exporting carpet of his own	Rs. 100,000

He claimed the following expenses for deduction:

Renewals of export license	Rs. 5,000
Collection charge of prize	Rs. 3,000
He deposited the amount received from his export business in the bank in foreign currency.	
Life insurance premium Rs. 2,000 on the life policy of Rs. 50,000 of his wife.	

**Required:** Taxable income of Mr. Shrestha.

[5]

**37. 2057 (F) Q. No. 8**

Mr. Gupta furnished the following particulars of his income of the previous year.

Net income from remuneration	Rs. 152,000
Net income from business run by his wife	Rs. 30,500
Net income from other sources	Rs. 10,000
Net income from house and land rent	Rs. 60,000

He claims deduction for the following expenses:

Donation to Lumbini Development Trust	50,000
Life insurance premium on a policy of Rs. 100,000 of his own	7,800
Vehicle expenses	2,200

**Required:** Total tax liability of Mr. Gupta.

[5]

**38. 2056 (C) Q. No. 5**

Mr. Basnet submitted the following items of receipts during the previous year.

(i) Net Income from business	Rs. 80,000
(ii) Sale of Land	Rs. 200,000
(iii) Gain on sale of Machine	Rs. 20,000
(iv) A souvenir in kinds, market value being of	Rs. 5,000
Dividend from: Nepal	Rs. 10,000
India	Rs. 10,000
(v) Refund of custom (not adjusted in business income)	Rs. 6,000
(vi) Bad debts recovered not allowed previously (not adjusted in business income)	Rs. 2,000
(vii) Life insurance premium of Rs. 2000 paid on a policy of his wife	Rs. 50,000

**Required:** Statement of Taxation income.

[5]

**39. 2056 (C) Q. No. 8**

Mr. G Pathak with a family status submitted the following statement of his incomes of the previous year.

(i) Salary	Rs. 96,000
Income from other sources:	
Lottery	Rs. 10,000
Crossword puzzle	Rs. 10,000
Income from business	Rs. 40,000

**Expenses claimed**

Donation	Rs. 5,000
Life insurance premium Rs. 6,000 on his policy of	Rs. 80,000
Transport and education expenses	Rs. 5,000
Tax deduction at source	Rs. 4,000

**Required:** Tax liability for the relevant assessment year.

**40. 2056 (C) Q. No. 12 OR**

Mr. P. Pradhan, an unemployed person, tendered the following sources of receipts during the previous year to the Tax office.

(i) Income from writing articles for different news papers	Rs. 12,000
(ii) Cash prize on horse race	Rs. 10,000
(iii) Gain on sale of a car	Rs. 40,000
(iv) Rent received from house let out	Rs. 22,00
(v) Rent received from letting some household goods	Rs. 5,000
(vi) Rent received from letting a piece of land for agriculture purpose in cash	Rs. 2,000
(vii) Royalty from books	Rs. 15,000

**Expenses claimed:**

(i) Cost of paper etc.	Rs. 400
(ii) Repair of let out house Rs. 3,000 and household goods	Rs. 600
(iii) Collection charges	Rs. 200
(iv) Accident insurance premium	Rs. 700

**Required:** Net total income from Investment.

[5]

**41. 2056 (F) Q. No. 5**

Dr. Jha, medical representative furnished the following particulars of his income for the previous year.

(i) Commission from sale	Rs. 90,000
(ii) Gain on sale of a plot of land	Rs. 80,000
(iii) Refund of previous year income tax	Rs. 5,000
(iv) Gain on export and import business	Rs. 60,000
(v) Prize received on cross-word puzzle	Rs. 20,000
(vi) He also worked as a part time teacher in a local medical college at a monthly salary of Rs. 4,000	

He claims the following expenses for deduction:

- Vehicle expenses purely used for sale of medicine Rs. 600 p.m.
- Renewal of import license Rs. 200
- Collection charge of prize Rs. 600

**Required:** Taxable income of Dr. Jha.

[5]

**42. 2056 (F) Q. No. 8**

Mr. Kapil furnished the following particulars of income:

(i) Net income from remuneration	Rs. 122,800
(ii) Net income from profession	Rs. 35,000
(iii) Net income from other sources	Rs. 42,200

He claims the following expenditures:

• Donation to a private campus	Rs. 33,000
• Life insurance premium on a policy of Rs. 200,000	Rs. 13,000

**Required:** Tax liability of Mr. Kapil.

[5]

**43. 2056 (F) Q. No. 9**

Mr. Poudyal is a permanent gazetted officer. The following are the details of his income for the previous year:

Basic Salary	Rs. 6,000 p.m.
Local allowances	Rs. 300 p.m.
House rent allowance	Rs. 1,500 p.m.
Remuneration for acting as an examiner	Rs. 2,000

During the year he spent Rs. 8,000 on purchase of book. He also maintains a motor cycle for official as well as personal purpose. The monthly cost of motor cycle is Rs. 800. He also paid Rs. 5,000 as insurance premium on a policy of Rs. 80,000 of his own.

[5+1+2]

**Required:** ① Net income from remuneration ② Statement of Total taxable income.

## 12. SET-OFF AND CARRY FORWARD OF LOSSES

### 1. 2069 Q.No. 14

The following are the operating results of a company during the last six years.

Year	1	2	3	4	5	6
Profit / (Loss) Rs.	(400,000)	100,000	(150,000)	100,000	150,000	200,000

On scrutiny it is observed that donation of Rs. 20,000 and Rs. 10,000 was charged in the profit and loss account in the 3<sup>rd</sup> year and 6<sup>th</sup> respectively whereas the profit of 6<sup>th</sup> year was derived before deducting depreciation of business assets of Rs. 30,000.

**Required:** Taxable income of the company giving explanation whenever necessary. [5]

### 2. 2068 Q.No. 15

The following are the operating results of a business firm during the last six years.

Year	1	2	3	4	5	6
Profit/(Loss) Rs.	(300,000)	(200,000)	50,000	(100,000)	100,000	400,000

On scrutiny, it is observed that a donation of Rs. 30,000 was charged in the Profit and Loss Account in the year three. Depreciation on assets of Rs. 100,000 under group C is to be charged in year two.

**Required:** Taxable income of the firm giving explanation wherever necessary. [5]

### 3. 2067 Q.No. 12

A businessman furnished the following operating result for last eight years:

Year	1	2	3	4	5	6	7	8
P/(L) Rs.	(200,000)	(170,000)	(80,000)	70,000	140,000	300,000	425,000	300,000

Profit of 6th year was derived after deducting donation Rs. 20,000 to a public hospital. Dividend from a resident company Rs.50,000 and interest from a customer Rs.60,000 were not adjusted in the profit of seventh year.

**Required:** Taxable income and tax liability giving explanation [4+1]

### 4. 2066 Q.No. 11

The following are the operating results of a trading company for the last seven years.

Year	1	2	3	4	5	6	7
Profits (Loss)(Rs)	(50,000)	(60,000)	(30,000)	35,000	45,000	55,000	30,000

The company had given donation of Rs. 10,000 and Rs. 15,000 in first and second years respectively to a tax exempted organization and above losses were derived after adjusting donated amount. In the same way the profit of fourth year was derived before deducting interest on loan of Rs. 5,000.

**Required:** Taxable income of the company giving explanation whenever year. [5]

### 5. 2065 Q.No. 12

The following are the operating results of a company for the last six years.

Year	1	2	3	4	5	6
Profit/loss (Rs.)	(140,000)	(105,000)	50,000	(60,000)	80,000	120,000

The first and second years losses were derived after deducting donation given to a tax exempt organization of Rs. 10,000 and Rs. 5,000 respectively.

**Required:** Taxable income of the company giving explanation whenever necessary. [5]

### 6. 2064 Q.No. 14

Following are the operating results of a business firm during the last seven years.

Year	1	2	3	4	5	6	7
Profit/(Loss) Rs.	(300,000)	100,000	(200,000)	75,000	100,000	200,000	300,000

On investigation it is observed that the firm charged donation of Rs. 20,000 and Rs. 5,000 in the year third and sixth respectively. During the seventh year the firm had incurred pollution control cost of Rs. 200,000 but omitted to deduct from the above income.

**Required:** Taxable income of the firm giving explanation whenever necessary. [5]

### 7. 2064 (Old) Q.No. 13

Following are the operating result of a company during last 6 years.



Year	1	2	3	4	5	6
Profit/(Loss) Rs.	(20,000)	(50,000)	(100,000)	10,000	25,000	(5,000)

- a. Depreciation of Rs. 5,000, Rs. 4,500 and Rs. 6,000 have not been charged in above profit or loss in year 1, 2 and 3 respectively.
- b. Donation of Rs. 4,000 paid to Football Association of Nepal in year 3 before determining above profit or loss.

**Required:** Taxable income of the company giving explanation wherever necessary. [5]

8. 2063 Q. No. 12

The following are the operating results of a company for the last six years:

Year	1	2	3	4	5	6
Profit/(Loss) Rs.	(160,000)	(120,000)	(50,000)	75,000	65,000	125,000

The company paid donation of Rs. 25,000 to Nepal Eye Hospital in first year and that was included in the loss of that year. The profit of 5<sup>th</sup> year was ascertained before charging interest on loan of Rs. 10,000.

**Required:** Taxable income of the company giving explanation wherever necessary. 5

9. 2062 (C) Q. No. 14

The following are the operating results of a company during the last six years:

Year	1	2	3	4	5	6
Profit (Loss) Rs.	(100,000)	(200,000)	150,000	80,000	(50,000)	70,000

On Scrutiny, it is observed the donation of Rs. 10,000 and Rs. 20,000 was charged in profit and loss account in the year two and four respectively.

**Required:** Taxable income of the business giving explanation wherever necessary. 5

10. 2062 (F) Q.No. 12

Following are the operating results of a company for the past 6 years.

Year	1	2	3	4	5	6
Profit/(Loss) Rs.	(200,000)	(100,000)	25,000	50,000	75,000	100,000

Company paid donation of Rs. 10,000 to Nepal Red Cross Society in the year one and that was deducted before determining above loss. The profit of the 6<sup>th</sup> year was derived before charging Rs. 8,000 for outstanding salary.

**Required:** Taxable income of the company giving explanation wherever necessary. [5]

11. 2061 (C) Q. No. 14

The following are the operating results of a company for the last 6 years.

Year	1	2	3	4	5	6
Profit/(loss)	(Rs. 100,000)	20,000	(70,000)	30,000	(30,000)	20,000

Company has donated Rs. 40,000 in year three and has deducted before determining above profit/loss.

**Required:** Taxable income of business giving explanation wherever necessary. [4+1]

12. 2061 (F) Q. No. 13

Following are the operating results of company during the last 7 years.

Year	1	2	3	4	5	6	7
Profit/(Loss)	(70,000)	(80,000)	100,000	40,000	(30,000)	20,000	60,000

Company paid donation of Rs. 20,000 in 1st year. The profit of third year was derived before deducting interest on bank loan of Rs. 10,000.

**Required:** Taxable income of the company giving explanation wherever necessary. [4+1]

13. 2060 (C) Q. No. 15

The following were the operating results of a company for the past 5 years:

Year	1	2	3	4	5
Profit/(Loss)	(50,000)	(30,000)	15,000	20,000	15,000

In the year 1 and year 4 the company paid a donation of Rs. 20,000 and Rs. 5,000 respectively.

**Required:** Taxable income of the firm giving explanation wherever necessary. [5]

14. 2060 (F) Q. No. 15

The operating result of a company for the last 6 years have been summarized as under:

Year	I	II	III	IV	V	VI
Profit/(Loss)	(200,000)	(500,000)	75,000	(100,000)	300,000	200,000

On investigation, it is revealed that the company had given donation of Rs. 50,000 to Pashupati Area Development Fund and Rs. 10,000 to a public hospital in the year four and five respectively.

**Required:** Taxable income of the business giving explanation wherever necessary. [4+1]

**15. 2059 (C) Q. No. 15**

The following are the operating results of a company during the last six years.

Year	1	2	3	4	5	6
Profit/(Loss)	(50,000)	(30,000)	(20,000)	(10,000)	50,000	20,000

**Required:** Taxable income of the business giving explanation wherever necessary. [5]

**16. 2059 (F) Q. No. 7**

The following are the operating results of a company during the last five years.

Year	1	2	3	4	5
Profit/(Loss)	(50,000)	(30,000)	20,000	(10,000)	50,000

Year 1 includes donation of Rs. 10,000 paid to Pashupati Area Development fund.

**Required:** Taxable income of the business giving explanation wherever necessary. [3+2]

**17. 2058 (C) Q. No. 16**

The following are the operating results of a company for the last 7 years:

Year	1	2	3	4	5	6	7
Profit/(Loss)	(40,000)	30,000	(20,000)	(15,000)	5,000	10,000	5,000

A donation of Rs. 30,000 to a school was paid in year 1.

**Required:** Taxable income of the business giving explanations wherever necessary. [5]

**18. 2058 (F) Q. No. 16**

The operating results of a company for the last 7 years are as follows:

Year	1	2	3	4	5	6	7
Profit/(Loss)	(20,000)	10,000	(10,000)	5,000	(15,000)	5,000	10,000

**Required:** Taxable income of the business giving explanation wherever necessary. [5]

**19. 2057 (C) Q. No. 15**

The following are the operating result of a firm for the last 5 years.

Year	1	2	3	4	5
Profit/Loss in Rs.	(30,000)	(10,000)	(1,000)	15,000	30,000

In year 1, a donation of Rs. 5,000 given to a public school was charged before determining the aforesaid loss.

**Required:** Taxable income of the business giving explanation where necessary. [4+1]

**20. 2057 (F) Q. No. 15**

The following are the operating results of a company during the last 5 years.

Year	1	2	3	4	5
Profit/(Loss)	(40,000)	910,000	5,000	10,000	15,000

On security, it is observed that a donation of Rs. 25,000 was charged on profit and loss account in the year one.

**Required:** Taxable income of business giving explanation wherever necessary. [3+2]

**21. 2056 (C) Q. No. 15**

A Ltd. company made profits for 2 year after incurring losses for 5 consecutive years has summarized and presented its position as below:

Year	1	2	3	4	5	6	7
Profit/Loss	(3,000)	(6,000)	(10,000)	(4,000)	(2,000)	9,000	15,000

**Required:** Taxable income of the business for 2 years.

**22. 2056 (F) Q. No. 15**

The following are the operating results of a company during the last 5 years.

Year	1	2	3	4	5
Profit/(Loss)	(40,000)	(30,000)	10,000	30,000	25,000

**Required:** Taxable income of the business giving explanation where necessary. [5]

**13. RESIDENTIAL STATUS****THEORETICAL QUESTIONS****1. 2066 Q.No. 4**

Define a tax payer. Mention the provisions for a natural tax payer to be a resident as per the prevailing tax law.

**2. 2064 (Old) Q.No. 1**

Define a 'resident' state the privileges provided by IT Act 2058 to resident over non-resident. [2+3]

**3. 2062 (F) Q.No. 1**

Define an assessee. State the conditions for an assessee to be a resident. [5]

**4. 2059 (C) Q. No. 1**

What are the privileges enjoyed by a resident over non-resident assessee? [5]

**5. 2059 (F) Q. No. 6**

Define 'Non Resident Assessee'. State the conditions when an assessee may be considered as Non Resident. [5]

**6. 2058 (F) Q. No. 6**

Define an assessee. Explain their types: [5]

**7. 2057 (C) Q. No. 1**

Write a note on 'income from profession'. Give three examples of such income. [2+3]

**8. 2056 (C) Q. No. 1 OR**

Explain the term 'agriculture income' and 'casual income'. Give two examples each term. [2+2+1]

**NUMERICAL PROBLEMS****9. 2069 Q.No. 1**

Mr. Pradhan a Joint-Secretary Government posted outside the country representing the government. He left Nepal on 1<sup>st</sup> Chaitra of the previous year. He received TADA US \$ 10,000 and foreign allowance US \$ 3,000 p.m. The exchange rate applicable for US \$ is Rs. 70 per dollar. He was drawing Rs. 12,000 p.m. as his salary.

**Required:** ① His residual status ② Taxable Income

[2+3=5]

**10. 2068 Q.No. 10**

Mr. Hari, a permanent officer of Government of Nepal was appointed as a First Secretary at the Embassy of Nepal in Bangkok. He was drawing Rs. 18,000 p.m. as salary. He left Nepal on 1<sup>st</sup> Ashwin. He was paid US\$ 2,000 dearness allowance and US\$ 500 as out of station allowance. Dollar exchange rate applicable was Rs. 80 for one US\$. He stayed there until the end of Jetha of following year.

**Required:** (a) His taxable income (b) His residual status

[4+1]

**11. 2067 Q.No. 10**

Mrs. Y, a representative of Pakistan came to Nepal on 18th Marga previous year. She is getting salary and foreign allowance from Pakistan government \$7,000 and \$1,000 p.m. respectively. She furnished the following income having sources in Nepal as follows:

- Income from an investment - Rs. 150,000.
- Income from a small business - Rs. 150,000 (before deducting related expenses - Rs.40,000)
- Rent income by letting computers after TDS - Rs.51,000.

**Required:** (a) Residential status of Mrs. Y with explanation (b) Tax liability

[2+3]

**12. 2066 Q.No. 10**

Mr. Jonson, an American citizen came to Nepal as an expert on 1<sup>st</sup> Magh of previous year and he had stayed here till the end of Ashadh and earned the following incomes:

- Consultancy fees received of Rs. 212,500 (after TDS of Rs. 37,500)
- Net (Assessable) income from business of Rs. 150,000.
- Gain on sale of securities of Rs. 45,000.
- Lottery received (after TDS) Rs. 37,500.

He had claimed the following expenses for deduction:

- Expenses related to consultancy fees of Rs. 3,000.
  - Donation given to a tax exempted organization approved by IRD of Rs. 5,000.
- Required:** (a) Statement of Total Taxable Income (b) His residential status with explanation. [4+1]

**13. 2065 Q.No. 10**

Mr. Mukesh Gupta an Indian citizen came to Nepal on 1st Falgun of previous year and resided till the end of Ashad. During the previous year he had earned the following incomes.

- Income from business of Rs. 350,000
  - Income from investment of Rs. 127,500 after TDS
- He claimed the following expenses for deduction:
- Depreciation on assets used for business of Rs. 5,000
  - Investment income, collection charges of Rs. 2,000

**Required:** (a) Statement of Total Taxable Income [4]  
(b) His residential status with explanation [1]

**14. 2064 Q.No. 10**

Dr. Advani, a citizen of India, earned the following income during his stay in Nepal from 15th Shrawan to 30th Marga of the previous year:

- |                                                     |             |
|-----------------------------------------------------|-------------|
| a. Net (assessable) income from profession/business | Rs. 150,000 |
| b. Gain from investment activities                  | Rs. 100,000 |
| c. Remuneration from part time lectures             | Rs. 60,000  |
| d. Dividend from Indian company remitted to Nepal   | Rs. 50,000  |

**Required:** (a) Residential status of Dr. Advani (b) Tax liability. [2+3 = 5]

**15. 2064 (Old) Q.No. 10**

Mr. John, a citizen of United Kingdom, came to Nepal on 1st Falgun of previous year. He joined American Embassy next day at a salary of Rs. 20,000 p.m. Besides salary he disclosed the following incomes for the previous year.

- Foreign allowance Rs. 5,000 p.m.
- He also run a small business in Nepal and earned Rs. 75,000 during the same time.

**Required:** (a) His residential status (b) Taxable income. [2+3=5]

**16. 2063 Q. No. 10**

Mr. Shukla, an Indian citizen, came to Nepal on 1st Magh and stayed in Nepal till the end of previous year. During his stay Nepal, he earned the following incomes:

- Income from business of Rs. 337,000 before deducting electricity charges of Rs. 30,000 of his house and after deducting depreciation of Rs. 35,000 of the assets used for business purpose.
- He claimed the amount of Rs. 10,000 donated to Nepal Red Cross Society.

**Required:** (a) Net (assessable) income form business [2]  
(b) Statement of total taxable income [2]  
(c) His residential status with explanation. [1]

**17. 2062 (C) Q.No. 10**

Mr. Yomuna is working in an embassy representing Japan and came to Nepal on 1st Chaitra of previous year. His salary and other emoluments are paid by the country he represents. He declared the following sources of income during the previous year.

- Salary Rs. 300,000
- Foreign allowance Rs. 150,000
- He runs a small business in Nepal and earned a net profit of Rs. 100,000 in previous year. During the year he donated Rs. 20,000 to a public school located in Kathmandu.

**Required:** (a) His residual status (b) Taxable income [2+3]

**18. 2062 (F) Q.No. 9**

Mr. John, a citizen of the UK, came to Nepal on Paush 1st and stayed in Nepali till the end of the previous year. During this period he earned the following incomes.

- Income from Business of Rs. 450,000 after charging the rent of Rs. 50,000 to his residential house, and Rs. 25,000 for the show-room.

b. He claimed that he had donated Rs. 3,000 to a public library.

**Required:** ① Net Income from Business ② Statement of Total Taxable Income

③ His residential status with explanation

[2+2+1]

19. 2061 (C) Q. No. 10

Mr. B is an American and came to Nepal on Falgun of the last year and stayed in Nepal till the end of the previous year. He disclosed the following details of his incomes and expenditure.

- Assessable (net) income from business Rs. 1,75,000
- Assessable (net) income from profession Rs. 1,50,000
- He donated Rs. 5,000 to a local cricket club.

**Required:** (a) Statement of total income. (b) Residential status with explanation.

[3+2]

20. 2061 (F) Q. No. 10

Mr. Pant, a permanent office of HMG/N was appointed as a first secretary at the Embassy of Nepal in Bangladesh. He was drawing Rs. 14,000 p.m. as his salary. He left Nepal on 1st Ashwin. He was paid US \$ 1600 as dearness allowance and US \$ 400 as out station allowance. Dollar exchange rate applicable was Rs. 75 for one US dollar. He stayed there till the end of Jeth of previous year.

**Required:** (a) His taxable income (b) His residential status

[4 +1]

21. 2060 (C) Q. No. 10

Mr. Mishra, a citizen of India came to Nepal on 1st Ashwin of the previous year and stayed till 15th Falgun. During this period he visited India several time to purchase goods for business purpose. The total days of his visit to India accounted for 24 days. On 16th Falgun he disposed off all his business and donated Rs. 10,000 to a club.

**Required:** ① His taxable income ② His residential status for tax purpose

[3+2]

22. 2060 (F) Q. No. 13

Mr. Mehara, an Indian citizen, came to Nepal on 15th February of the previous year with a view to start business. He opened shop in New Road, but because of his personal reason he closed the shop on last June and left for India on the same date. He earned a net profit of Rs. 250,000.

**Required:** ① His residential status ② His tax income ③ Tax liability

[2+2+1]

23. 2059 (C) Q. No. 7

Mr. Rai left Nepal on 1st Marga of previous year for a foreign job to Qatar. He earned \$10,000 while he stayed there. He returned to Nepal on 1st Jetha of the same year. The exchange rate applicable was Rs. 70 for a dollar.

**Required:** ① His residential status ② his taxable income

[1+4]

24. 2059 (F) Q. No. 11

Mr. Rai is a permanent employee of government office posted outside the country as a representative of the government. He left Nepal on 30th Marga of the previous year. He received US \$ 6,500 as foreign allowance and Rs. 7,000 as children education allowance. The exchange rate applicable for the US \$ is Rs. 75 per dollar. He was drawing Rs. 9,500 on his monthly salary.

**Required:** ① His residential status ② Taxable income

[2+3]

25. 2058 (C) Q. No. 10

Mr. Singh, a citizen of India, earned the following incomes during his stay in Nepal from 1st Ashwin to 30th Chaitra in the previous year:

a. Net income from trading activity	Rs. 120,000
b. Winning on a horse race	Rs. 50,000

**Required:** ① Residential status of Mr. Singh ② Statement showing Taxable income

[2+3]

26. 2058 (F) Q. No. 10

Mr. Gopal, a Civil Engineer, is an employee of national Construction company of Nepal took retirement from his job on 30th Kartik. He was receiving a salary of Rs. 8,000 p.m. plus Rs. 550 p.m. as dearness allowance. After retirement he proceeded to Arab and signed a contract to work there for two years. However, he quits the contract after working for 7 months. He brought Rs. 200,000 net in Nepal.

**Required:** ① Residential status of Mr. Gopal ② Statements of Taxable income

[2+3]

**27. 2057 (C) Q. No. 10**

Mr. Sharma, a Foreign Secretary in HMG Nepal, was appointed as permanent representative of Nepal to United Nations. He left to UN on 1<sup>st</sup> Poush of the previous year on which date he was automatically terminated from his present post. He was paid there US \$4,800 as his allowance and \$2,500 as his family allowances. The exchange rate applicable for one US \$ was Rs. 67.50. He stayed there till the end of previous fiscal year. He was drawing Rs. 7,500 p.m. as his salary while he was in Nepal.

**Required:** (a) His residential status (b) his taxable income

[2+3]

**28. 2057 (F) Q. No. 10**

Mr Gurung a permanent citizen of Nepal, left Nepal to Brunei on 1<sup>st</sup> Ashwin in the previous year. He returned to Nepal with US dollar 8000 in total on Baishakh, this calendar year. The exchange rate applicable for one US dollar was Rs. 67.00. There is no agreement for avoiding double tax between these two countries.

**Required:** ① His taxable income ② His residential status.

[3+2]

**29. 2056 (C) Q. No. 10**

Mr. X is working in an embassy representing UK, and come to Nepal on 1<sup>st</sup> Ashwin of previous year. His salary and other emoluments are paid by the country he represents. He declared the following sources of income during the previous year.

(i) Salary	Rs. 180,000 p.m.
(ii) Dearness allowance	Rs. 15,000 p.m.
(iii) Foreign allowance	Rs. 80,000 p.m.
(iv) He runs a handicraft business in Nepal and earned a net profit of Rs. 150,000 in the previous year.	
(v) He was a member of Royal Golf club of Nepal. He won a prize of Rs. 50,000 from that game.	

However, he claimed the following expenses:

(i) Renewal of membership and subscription	Rs. 10,000
(ii) Golf expenses	Rs. 12,000
(iii) Donation to a school of a remote district	Rs. 50,000

**Required:** (a) His residential status (b) Taxable income for the relevant assessment year

[2+3]

**30. 2056 (F) Q. No. 10**

Mr. Khanal, a permanent gazetted officer in HMG appointed as a first secretary at the embassy of Nepal in Bangladesh. He was drawing Rs. 6,000 p.m. as his salary. He left Nepal on 1<sup>st</sup> Kartik. He was paid US \$ 1500 plus dearness allowance of US \$ 200 as out station allowance. Dollar exchange rate applicable was Rs. 63 for one US dollar. He stayed there till the end of Ashadh in the previous year.

**Required:** ① His residential status ② His taxable income

[2+3]

## 14. SPECIAL PROVISIONS FOR INDIVIDUALS, ENTITIES AND RETIREMENT SAVINGS

N/A

## 15. TAX ADMINISTRATION

### THEORETICAL QUESTIONS

**1. 2068 Q.No. 3 OR**

State any five duties of an assessee.

**2. 2067 Q.No. 3 OR**

State any five duties of an assessee as laid down in Income Tax Act 2058.

[5]

**3. 2067 Q.No. 9 OR**

State any five rights of a tax officer under Income Tax Act 2058.

[5]

4. 2066 Q.No. 9 OR  
Enumerate any five duties of an assessee (tax payer) under Income Tax Act, 2058. [5]
5. 2065 Q.No. 9  
State any five rights of an assess as per Income Tax Act 2058. [5]
6. 2063 Q. No. 3 Or  
Write, in short, any five duties of an assessee as per Income Tax Act. [5]
7. 2062 (F) Q.No. 3  
State any five duties of a tax officer. [5]
8. 2062 (F) Q.No. 10  
Explain in brief any five rights of an assessee. [5]
9. 2061 (C) Q. No. 3  
Enumerate any five rights of Director General of Tax under Income Tax Act, 2058. [5]
10. 2060 (C) Q. No. 11 OR  
Write in brief any five rights of tax officer. [5]
11. 2060 (F) Q. No. 2  
State five rights of an assessee as laid down in Income Tax Act. [5]
12. 2059 (C) Q. No. 6  
Write in brief any five rights of 'Director General' of the Department of Tax. [5]
13. 2059 (F) Q. No. 2  
Write in brief any five duties of an assessee. [5]
14. 2058 (C) Q. No. 2  
List out income tax authorities. Briefly explain any five powers of Director General as specified in Nepal Income Tax. [2+3]
15. 2058 (F) Q. No. 2  
Briefly explain the duties of a Tax officer. [5]
16. 2057 (C) Q. No. 6  
Write in brief any five duties of a Tax Officer, which you consider as most important. [5]
17. 2057 (F) Q. No. 3  
How a Revenue Tribunal is constituted? Explain the provision governing to be the member of the Tribunal. [2+3]
18. 2057 (F) Q. No. 12  
"Tax officer always does not prefer to assess tax on best judgment basis, however he frequently exercises this power to assess tax." Explain this statement giving reasons why he exercises this power? [5]
19. 2056 (C) Q. No. 2  
Explain briefly, the rights of an assessee. [5]

## 16. OFFICIAL DOCUMENTATION, RECORD-KEEPING AND INFORMATION COLLECTION

N/A

## 17. RETURNS OF INCOME AND ASSESSMENT

### THEORETICAL QUESTIONS

1. 2068 Q.No. 2  
Write the meaning of 'self-assessment of tax' as per the provision made in Income Tax Act. What are its advantages? [2+3]
2. 2065 Q.No. 4  
Give the concept of 'Tax Assessment'. Write in short about self assessment of tax. [5]
3. 2063 Q. No. 9  
Give the concept of assessment of tax and write in brief about self-assessment of tax. 5

**4. 2060 (F) Q. No. 4**

"Assessment of tax by 'Best Judgement is a crude method.' Do you agree with this statement? Also state two reasons why tax office often exercises this method. [3+2]

**5. 2058 (C) Q. No. 6**

What do you mean by "Best Judgment Assessment"? State the various grounds for such assessment. [2+3]

**6. 2057 (C) Q. No. 12**

Write in brief about various procedures of assessing tax in Nepal [5]

**7. 2056 (C) Q. No. 6**

"Self Assessment of tax could be an effective system of assessment if the tax payer understand the basic norms of the provision." Justify. [5]

**8. 2056 (F) Q. No. 12**

What do you know about 'Best judgment Assessment'? Write the defects of Best Judgment Assessment. [2+3]

**NUMERICAL PROBLEMS****9. 2058 (F) Q. No. 8**

The total net income of Mohan Chandra & Son, an unregistration firm, has been computed at Rs. 275,000 for the previous year. The firm submitted a bank deposit voucher of Rs. 30,000 for advance tax along with the Audited Income Statement within the prescribed time.  
Required: The tax amount to be realised for the relevant assessment year. [5]

**18. COLLECTION OF TAX, REMISSION AND REFUND****1. 2058 (F) Q. No. 12 (OR)**

What do you meant by 'Refund of income Tax'? Explain briefly the circumstances for such refund. [5]

**19. ADMINISTRATIVE REVIEW AND APPEAL**

N/A

**20. PENAL PROVISIONS****1. 2059 (C) Q. No. 12**

What are the previous in Income Tax Act when an assessee fails to submit the statement of income within the specific period [5]

**21. HOUSE AND LAND TAX IN NEPAL****THEORETICAL QUESTIONS****1. 2069 Q.No. 9**

Explain the provision of depreciation on valuation of house as laid down in 'Local Self-Governance Rules'. [5]

**2. 2068 Q.No. 9**

Explain the method regarding the valuation of different type of houses as mentioned under 'Local-Self Governance Rules.' [5]

**3. 2064 Q.No. 9**

Explain the provision of depreciation regarding the valuation of different types of house as stated in 'Local Self Governance Rules'. [5]

**4. 2064 (Old) Q.No. 4 OR**

Give the five tax exempted house and land as mentioned in 'Local Self-Governance Act'. [5]

**5. 2062 (C) Q.No. 9**

Enumerate any five tax exempted house and land as laid down in 'Local Self-Governance Act.' [5]



## 6. 2061 (C) Q.No. 9

Enumerate the tax exempted properties as mentioned under 'Local Self-Governance Act, 2055.' [5]

## 7. 2060 (C) Q. No. 5

Enumerate any five tax exempted properties under House and Compound Tax Act. [5]

**NUMERICAL PROBLEMS**

## 8. 2069 Q.No. 13

The detail of house and land of Mr. Prajapati located at Madhyapur Thimi Municipality are as follows:

a. Mode of construction:	RCC frame structure
b. Total area of the house:	5,000 sq. ft.
c. Total area of compound:	one and half ropanis
d. Value of the land:	Rs. 2,200,000 per ropani
e. Date of completion:	Bhadra, 2058

**Required:**

① Valuation of house and land (under Local Self-Governance Act)

② Tax liability

[5+2]

## 9. 2068 Q.No. 13

Following are the details of house property belongs to Mr. Magar located at Banepa Municipality.

a. Area of the house:	8,000 sq.ft
b. Mode of construction:	Kiln bricks with cement mortar
c. Date of completion:	Paush 2048
d. Total area of compound:	2 ropanis
e. Value of the land:	Rs. 400,000 per ropani

**Required:** (a) Value of house and land (under Local Self-Government Act) (b) Tax liability

[5+2]

## 10. 2067 Q.No. 13

Mr. Barun Khanal submitted the following details of houses located at Dhankuta Municipality:

Particulars	House - 1	House - 2
Mode of construction	Frame structure	Bamboo with thatched roof
Year of construction	2056, Bhadra	2060, Baishakh
Area of house	5,000 sq.ft	1,000 sq.ft
Area of compound	2 ropanis	1 ropani

Market value of the land amounted to Rs.. 40 lakh per ropani for the House -1 and Rs.25 lakh per ropani for the second. But government valuation of the land is Rs.30 lakh and Rs.20 lakh per ropani respectively.

**Required:** (a) Valuation of house and compound (b) Tax liability

[5+2]

## 11. 2066 Q.No. 14

Mr. X has two houses in Lalitpur sub-metropolitan city. One house is used for cinema hall and next house for other purpose. The detail information relating to house and compound are given below:

	House-One	House-Two
Area of house	5000 sq. ft.	4000 sq. ft.
Date of construction	2058, Falgun	2056, Jestha
Mode of construction	RCC frame structure	Kiln bricks with cement mortar
Land covered by compound	One ropani	Half ropani
Government valuation of land per ropani (assumed)	Rs. 3,500,000	Rs. 4,000,000
But current market price per ropani is	Rs. 6,000,000	Rs. 7,000,000

Forty percent of the area of house-one is used for main auditorium hall.

**Required:**(a) Valuation of House and compound (b) Tax liability

[5+2]

## 12. 2065 Q.No. 13

Mr. Kapil submitted the following details of his houses located at Kathmandu Metropolitan city.

Particulars	House A	House B
Area of house	4,500 sq ft.	3,000 sq ft.
Year of construction	2057 B.S	2059 B.S
Mode of construction	RCC frame structure	Kiln bricks with cement mortar
Land covered by the compound	2 ropanis	1.5 ropanis
Government valuation of land per ropani (assumed)	Rs. 5,000,000	Rs. 4,500,000

**Required:** (a) Valuation of house and compound (b) Tax liability [5+2]

## 13. 2064 Q.No. 13

Mr. Yadav a resident of Janakpur municipality, presents the following details of his house and compound:

(i) Mode of construction:	Kiln bricks with cement mortar
(ii) Total area of the house	4000 sq./ft.
(iii) Total area of compound	One and half Katha
(iv) Year of construction	2046, Aswin
(v) Government valuation of the land	Rs. 1,000,000 per Katha
(vi) Market value of the land	Rs. 1,500,000 per Katha

**Required:**

(a) Valuation of house and compound (as per local self government rules) (b) Tax liability. [4+3]

## 14. 2064 (Old) Q.No. 15

Mr. M submitted the following details of his house located at Lalitpur Submetropolitan City.

- (i) Mode of construction: RCC frame structure  
 (ii) Area of the house: 7000 sq./ft.  
 (iii) Year of completion: 2040/4/BS  
 (iv) Compound area: 1 ropani  
 (v) Value of land  
 a. Government valuation Rs. 3 lakh per ropani  
 b. Market value at 12 lakh per ropani.

**Required:** (a) Value of property (b) Tax liability. [5+2]

## 15. 2063 Q. No. 13

Mr. Adhikari submitted the following details of his house located at Kathmandu Metropolitan City.

Area of the house:	4,000 sq./ft.
Mode of construction:	RCC frame structure
Date of construction:	Baishakh 2054 B.S.
Land covered by the compound	1½ ropanis
Government valuation of land per ropani (assumed)	Rs. 4,800,000

**Required:** (a) Valuation of house and compound (b) Tax Liability 5+2

## 16. 2062 (C) Q.No. 13

Mr. Pradhan has two houses in Butawal municipality. The details are as follows:

	1 <sup>st</sup> House	2 <sup>nd</sup> House
i. Mode of construction:	Timber	Klein bricks
ii. Year of construction:	Aswin, 2053	Magh, 2047
iii. Total area of house:	3000 sq.ft.	5000 sq.ft.
iv. Total area of compound	1 ropani	2 ropani
v. Value of land (for tax purpose)	Rs. 25 lakh per ropani	Rs. 30 lakh per ropani

**Required:** ① Valuation of house and land ② Tax liability [5+2]

## 17. 2062 (F) Q.No. 14

Mr. Pradhan submitted the following details of his house located at Kathmandu Municipality city.

• Areas of the house	4,500 sq.ft.
• Mode of construction	Klein bricks with cement mortar
• Year of completion	Jestha 2044 B.S.
• Land occupied by the compounded	1 Ropani 8 Annas
• Government valuation of land per Ropani	Rs. 3,200,000

Required:

① Value of house and compound (for local government tax) ② Tax liability

[5+2]

## 18. 2061 (C) Q. No. 13

Mr. P has two houses in Kirtipur Municipality.

	House I	House II
(i) Mode of constructions	Kiln bricks with mud mortar	Bamboo with thatched roof
(ii) Year of completion	Falgun, 2035	Magh, 2054
(iii) Total area of the house	8,000 sq./ft.	2,000 sq./ft.
(iv) Land and compound covered	2 ropani	6 ropani
(v) Municipal valuation of land	Rs. 40 lakh per ropani	Rs. 30 lakh per ropani

Required: (a) Valuation of house and land. (b) Tax liability (ignore special fee)

[5+2]

## 19. 2061 (F) Q. No. 14

Mr. Shrestha has submitted the following details of his house located at Lalitpur Sub-metropolitan city.

• Area of house	5,000 sq. ft.
• Mode of construction	RCC frame structure
• Land and compound of house	Two ropanies
• Year of construction	2052/053 B.S.
• Government valuation of land per ropani is Rs. 4,000,000 (assumed)	

Required: (a) Valuation of house and land.

[5]

(b) Tax liability (ignore special fee of 3%)

[2]

## 20. 2060 (C) Q. No. 14

Mr. Bhattachan furnishes the following details of his houses located at lakeside of Pokhara Municipality:

	House I	House II
a. Mode of construction	RCC frame structure	Timber
b. Total area of the house	4000 sq.ft.	200 sq.ft.
c. Year of construction	2052/053	2047 Poush
d. Land and compound of the houses	Two ropani (total)	
e. Govt's valuation of land for tax purpose	Rs. 1,100,000 per ropani	

You are required to compute tax payable amount by the owner for the relevant year.

[5]

## 21. 2060 (F) Q. No. 14

Mr. Shrestha furnishes the following details of his house located at Janakpur municipality.

• Mode of construction	kiln bricks with cement mortar
• Total area of the house	7000 sq.ft.
• Land and compound of the house	3 katha
• Year of construction	2053 Ashadh
• Government valuation of land and compound per katha is Rs. 700,000 (assumed)	

Required: ① Valuation of house and land ② tax liability

[5+3]

## 22. 2059 (C) Q. No. 14

Mr. Ashok Jha is an owner of a Cinema Hall located at Rajbiraj Municipality. He furnishes the following details of his cinema hall to the tax office for the purpose of property tax.

Mode of construction	RCC frame structure
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Total area of the house	8,000 sq.ft.
Land and compound of the house	Six kattha
Year of construction of the house	2051/052
Government's valuation of land for tax purpose	Rs. 400,000 per kattha

**Required:** Valuation of house and land for the purpose of assessing property tax for the relevant financial year. [5]

**23. 2059 (F) Q. No. 15**

Mr. P. Yadav furnishes the following details of his house located at Janakpur Municipality:

Model of construction	Kiln bricks with cement mortar
Total area of the house	4000 sq.ft.
Land and compound of the house	2 Kathas
Year of construction	2048/049
Government's valuation of the land for tax purpose (assumed)	Rs. 500,000 per kathas

**Required:** ① Valuation of house and land for tax purpose ② Tax liability [3+2]

**24. 2058 (C) Q. No. 14**

Mr. Shah has the following house and compound in Biratnagar and Janakpur Municipality.

	Biratnagar	Janakpur
a. Mode of construction	Kiln bricks with cement mortar	Kiln bricks with mud mortar
b. Total area of house	2,000 sq.ft.	1,500 sq.ft.
c. Land & compound of the house	2 kattha	3 kattha
d. Year of construction of the house	2040/41	2045/46
e. Govt's valuation of the land (per kattha) for tax purpose (assumed)	Rs. 1,500,000	Rs. 1,000,000

**Required:** Tax payable by the owner [5]

**25. 2058 (F) Q. No. 14**

Mr. Kumar furnishes the following details of his house located at Baneshwor of Kathmandu Municipality.

- (i) Mode of construction RCC frame structure  
 (ii) Total area of house 3,000 sq.ft.  
 (iii) Land and compound of the house two ropanies  
 (iv) Year of construction of the house 2040/FY  
 (v) Govt's valuation of the land (per ropani) Rs. 1,500,000 for tax purpose (assumed)

**Required:** ① Valuation of house property ② Tax payable by the owner. [3+2]

**26. 2057 (C) Q. No. 14**

Mr. Pradhan furnished the following detail of his houses located at Tansen Municipality.

a. Mode of construction	Kiln bricks with mud mortar
b. Total area of the house	2,700 sq.ft.
c. Land and compound area	3 ropani
d. Year of construction of house	2025 B.S.
e. Government valuation of land	Rs. 600,000 per ropani (for tax purpose)

**Required:** (a) Valuation of house and land rent (b) Tax liability [3+2]

**27. 2057 (F) Q. No. 14**

Mr. Bhandari submitted the following details of his house located in Kathmandu Metropolitan city:

Area of the house	6000 sq.ft.
Mode of construction	RCC Frame structure
Land and compound area occupied	1 $\frac{3}{4}$ th ropani
Year of completion of house	Ashadh 30, 2050
Government valuation of land per ropani is Rs. 3,000,000 however the current market price per ropani is Rs. 4,000,000.	

Required: ① Valuation of property ② Tax liability

28. 2056 (C) Q. No. 14

[3+2]

Mr. Shrestha has a house in Lalitpur Municipality having following details:

(i) Mode of construction	Frame structure
(ii) Area covered by house	3000 sq.ft.
(iii) Compound covered	1½ ropani
(iv) Year of construction	2040 B.S.
(v) Government valuation per ropani (for tax purpose)	Rs. 350,000

Required: Tax payable by the owner.

[5]

29. 2056 (F) Q. No. 14

Mr. Pant furnishes the following details of his houses located at New Road of Kathmandu Municipality:

(i) Mode of construction	kiln bricks with cement mortar
(ii) Total area of the house	3000 sq.ft.
(iii) Land and compound of the house	½ ropani
(iv) Year of construction of the house	2035 B.S.
(v) Govt's valuation of the land (per ropani) for tax purpose (assumed)	Rs. 4,000,000

Required: ① Valuation of house and land ② Tax liability

[3+2]

## 22. VALUE ADDED TAX (VAT)

### THEORETICAL QUESTIONS

1. 2069 Q.No. 9 Or

Enumerate any five goods/services exempted from Value Added Tax.

2. 2067 Q.No. 9

'Out of the total VAT collected a businessman pays to the government after deducting VAT on his purchase.' Comment with suitable examples.

3. 2066 Q.No. 9

Write, in short, the advantages of Value Added Tax.

4. 2065 Q.No. 9 Or

Write in short the objectives of Value Added Tax.

5. 2064 Q.No. 4

'VAT is based on added value of goods and services.' Explain.

6. 2063 Q. No. 4

Define value added tax. Write, in short, any three advantages of value added tax.

7. 2062 (C) Q.No. 9 OR

'VAT is a developed form of sales tax.' Explain in brief.

8. 2062 (F) Q.No. 4

Write in brief the difficulties faced by businessmen in realisation of VAT.

9. 2061 (C) Q. No. 9 OR

State any five achievements of HMG that you have observed by implementing Value Added Tax (VAT) in Nepal.

10. 2061 (F) Q. No. 9 OR

Write in short the advantages of Value Added Tax.

11. 2060 (C) Q. No. 3

"Value Added Tax is modern and progressive tax system." Comment.

12. 2060 (F) Q. No. 5

"Value Added Tax is a device to check and control the tax avoidance." Explain briefly.

13. 2059 (C) Q. No. 2

What do you mean by 'Threshold limit' in value added tax? State the current provisions in this regard.

[2+3]

**14. 2059 (F) Q. No. 3**

Write any three advantages of 'Value Added Tax'.

[5]

**15. 2058 (C) Q. No. 3**

"Value Added Tax is a device to check and control the immoral traders." Explain briefly.

[5]

**16. 2058 (F) Q. No. 3**

'Value Added Tax is superior to Sales Tax.' Explain briefly.

**17. 2057 (C) Q. No. 3**

'VAT is a developed form of Sales Tax.' Do you agree with this statement? Explain in brief. [3+2]

**18. 2057 (F) Q. No. 2**

"Value Added Tax is more transparent as compare to Sales Tax." Explain.

[5]

**19. 2056 (C) Q. No. 3**

"Value Added Tax is more transparent Sales Tax." Explain in brief.

[5]

**20. 2056 (F) Q. No. 3**

"Value Added Tax is more scientific than the sales Tax." Explain.

[5]

**NUMERICAL PROBLEMS****21. 2069 Q.No. 4**

Mr. Anil a retailer purchased a micro-oven from a dealer for Rs. 25,000 (without Vat) and incurred expenses Rs. 3,000 before selling it to a customer at a profit of 10 percent on cost.

**Required:** (a) Total added value by the retailer. (b) VAT collected by government in each stage. [3+2]

**22. 2068 Q.No. 4**

An importer imported goods at a cost of Rs. 33,900 (inclusive vat). The importer incurred selling expenses of Rs. 2,000 on its sale to retailer and had charged 10 percent margin on its sale price. The retailer sold the same to the final customer at 15 percent profit on outlay.

**Required:** (a) Retailer's selling price (b) Amount of VAT payable at each level of sales [2+3]

**23. 2067 Q.No. 4**

An importer imported an electrical heater from India paying VAT amounted to Rs.2,600. He incurred carriage cost Rs. 1,000 and sold to a whole seller at 16% profit on his selling price. Wholesaler and retailer incurred cost Rs.800 each and sold their customers at a profit of 14% and 12% on their selling price respectively.

**Required:** (a) Cost price for the final consumer (b) Amount of VAT collected by the government at each level of sales [3+2]

**24. 2066 Q.No. 4 OR**

Mr. Yadav purchased certain taxable goods at a cost price of Rs. 4,520 (inclusive VAT). The goods were sold by Mr. Chaudhary to a retailer incurring selling expenses on it of Rs. 200. Both Mr. Chaudhary and retailer charged profit margin at the rate of 20 percent on sales price of the goods while despatching to the customers.

**Required:** (a) Added value (Profit) of Mr. Chaudhary (b) Cost price of a retailer (c) Total VAT payable to government. [2+1+2]

**25. 2065 Q.No. 4 OR**

Mr. Pradhan imported water filter at a cost of Rs. 2260 (inclusive vat). The water filter was sold to a retailer incurring selling expenses on it of Rs. 100. Both of them had charged margin at the rate of 15 percent on cost price while selling their goods to their customers.

**Required:** (a) Cost price of retailer and customer (b) Vat payable by Mr. Pradhan (c) Total vat payable to government [2+1+2]

**26. 2064 Q.No. 5 OR**

Mr. Pathak a retailer purchased a cauum cleaner from a dealer at a cost of Rs. 30,000 (inclusive of VAT) and incurred expenses Rs. 2,000 before selling it to a consumer at a profit of 10 percent on sales price.

**Required:** (a) Total added value by the retailer. (b) Cost price for the consumer. [2+3]

**27. 2064 (Old) Q.No. 5**

Mr. A, a retailer purchased a table fan at an invoice price of Rs. 4,520 inclusive VAT. He spent Rs. 50 as overhead expenses on it, and sold the same to a customer at 10% profit margin on selling price.

**Required:** A statement showing (a) Value added by the retailer (b) VAT collected by the government at each level of sales. [3+2]

**28. 2063 Q. No. 4 OR**

An importer imported goods at a cost Rs. 33,900 (inclusive vat). The importer incurred selling expenses of Rs. 1,000 on its sale to retailer and had charged 15 percent margin on its sale price. The retailer sold the same to the final customer at 20 percent profit on outlay.

**Required:** (a) Retailer's selling price (b) Amount vat payable at each levels of sales 2+3

**29. 2062 (C) Q.No. 4**

A customer purchased a washing machine from a retail store paying Rs. 15,000. The washing machine was imported by Mr. Bikram and it was sold to the retailer. Profit margin of 20% on cost price was included in all cases.

**Required:** (a) Import price of washing machine (b) Added value by the retailer (c) Total VAT payable by the customer. [2+2+1]

**30. 2062 (F) Q.No. 4 OR**

Mr. X, a retailers purchased an article at a total payment of Rs. 11,000 inclusive of VAT. He sold this article to a consumer at a profit 20% on his sale price including overhead expenses of Rs. 300.

**Required:** ① amount of profit charged by the retailer ② Price paid by the consumers [3+2]

**31. 2061 (C) Q. No. 4**

A consumer purchased an air-mirror at a total price of Rs. 10,000. The wholesaler and retailer charged 25% and 20% profit margin respectively on their cost price.

**Required:** (a) Cost of sale of the wholesaler. (b) Value added tax paid by retailer to government. [4+2]

**32. 2061 (F) Q. No. 4**

Mr. Ramesh (a customer) purchased certain goods from Hari paying Rs. 60,000 (inclusive of VAT) on which Mr. Hari earned 15% profit on cost and he had paid VAT while buying it from wholesaler. And wholesaler earned 20% profit on cost price of the goods.

**Required:** (a) Cost price for Mr. Hari. (b) VAT payable to government in each stage. [3+2]

**33. 2060 (C) Q. No. 3 OR**

Mr. Hari a retailer purchased a table fan paying Rs. 3,000 from a wholesaler (inclusive VAT). He incurred carriage and selling expenses of Rs. 100 and Rs. 50 respectively and sold it to a customer. The profit margin in each stage is 15% on selling price.

**Required:** ① Cost price wholesaler ② VAT payable by customer [3+2]

**34. 2060 (F) Q. No. 5 OR**

An importer imported goods paying Rs. 4,500 without VAT. He (importer) incurred carriage expenses of Rs. 300 and sold them to a retailer charging 10% margin on cost. And retailer sold the goods to customer charging 15% margin on cost with Rs.250 as selling expenses there on.

**Required:** ① Selling price of retailer ② VAT payable to government at each stage [3+2]

**35. 2059 (C) Q. No. 2 OR**

Mr. X, a consumer bought a radio from a shopkeeper paying Rs. 4,500 (inclusive of VAT) which was purchased by the shopkeeper from Y. The profit margin of 10% on cost was included in each case.

**Required:** ① Cost price of Shopkeeper ② Total VAT to government [3+2]

**36. 2059 (F) Q. No. 3 OR**

A customer purchased goods from a businessman paying Rs. 30,000 (including VAT) on which the business earned 10% profit on cost price of the goods, and he had paid VAT while buying it from wholesaler. And wholesaler also earned 10% profit on cost price of the goods.

**Required:** ① Selling price of wholesaler without VAT ② Value added by businessman and total VAT payable to government. [2]

**37. 2058 (C) Q. No. 3 OR**

The cost of manufacturing a product for a manufacturing company is Rs. 5,000. Company has not paid any VAT on its imputes. The company sold it to wholesaler at a profit of 20% on cost. The wholesaler and retailer sold the goods as a profit of 10% each cost to customer.

**Required:** (a) Cost price of customer (b) VAT charged at successive level of sales. [3+2]

**38. 2058 (F) Q. No. 3 OR**

An article passes through two successive hands before reaching to the final customer. Each of these sellers made a profit of 20% on their outlay. The customer paid Rs. 792 as VAT on purchase.

**Required:** ① Original cost price ② Amount of prepaid VAT by two sellers. [1+2+2]

**39. 2057 (C) Q. No. 3 OR**

The cost price of radio to an importer is Rs. 400 no. VAT was paid on it. The goods passed through a retailer before it reaches to the final consumer. Both the middlemen-importer as well as retailer-incurred cost of Rs. 20 and Rs. 10 respectively. A 5% profit margin is charged by both the businessman.

**Required:** (a) Cost price to the customer (b) VAT charged at different level of sales. [3+2]

**40. 2057 (F) Q. No. 2 OR**

A customer purchase a rice-cooker from a retailer at a price of Rs. 570.02. This product was passed through two-middlemen-importer and retailer. A profit margin of 5% on cost price was included by both the middlemen. However, an overhead cost of Rs. 20 and Rs. 10 were incurred by importer and retailer respectively.

**Required:** ① Cost price of the importer ② VAT charged at different level of sales [3+2]

**41. 2056 (C) Q. No. 3 OR**

A customer purchased a radio from a retail store paying Rs. 2928.20. The radio was imported by Mr. Mohan and it was sold to the retailer. Profit margin of 10% on cost price was included in all cases.

**Required:** (a) Import price of radio (b) Total VAT payable by the customer (c) Amount of VAT payable by the retailer [1+2+2]

**42. 2056 (F) Q. No. 3 OR**

The cost of production of a product is Rs. 3,000 NO VAT has been paid on its inputs. The product passes through two middlemen before reaching to the final consumer. The profit charged by each businessmen are

**Required:** ① Cost price to the customer ② VAT charged at different level of sales. [3+2]