

30.7.20

Law & Taxation.

B. Com Part III

Chapter Salary numerical

Exercise. (13) R.K. Jain.

By

Mr. S.N. Pathak

Dept of Commerce

R.N.C, Hajipur.

Question.

Mr. Raghunath is employed in a factory on a monthly salary of 10,000. In addition to the salary, he received a Bonus equal to two month salary during the previous year. The factory has provided the Assessee with a Rent free unfurnished Accomodation. The Rent ~~paid~~ paid by the employer is 700 p.m. one son of the Assessee is studying in the U.S.A. and his expenses are born by the employer, which for the Accounting year amount Rs 7000. He is provided with a small car by the employer which is fully used for official purpose. All the expenses

of the car are paid by the factory. He is getting entertainment Allowances @ 400. The employer has given to Mr Raghunath a gift voucher of Rs 2000. Compute his taxable income from salary for the assessment year 2019-20.

Ans. Computation of Taxable Income of Mr Raghunath from salary.
Assessment year 2019-20

A	Basic Salary	$10000 \times 12 =$	1 20 000
	Bonus	10000×2	20 000
	Entertainment Allowances		4 800
	Rent free house.		8 400
	Education Expenses paid by		
	Car (except employer)		7 000
	Gift voucher		—
			2 000
			<hr/>
		Gross Salary	1 62 200
(-)	Deductions u/s 16		40 000
	Standard Deduction		<hr/>
	Taxable Salary		1 22 200