DR. UTTAM KUMAR

DEPARTMENT OF COMMERCE

Class -UG Fourth Semester
Session -2023-27
Paper -MJC-6
Subject -Income -Tax
Mob -8210561032

"Education is the power for being a good human being"

3. **Interest on Loan of ₹ 9 lakhs (4 lakhs + 5 lakhs) :**

Interest on ₹ 4 lakh loan :

From (1-06-2023 to 31-03-2024) $= 4{,}00{,}000 \times \frac{8}{100} \times \frac{10}{12} =$ ₹ 26,667

Interest on ₹ 5 lakh loan :

From (1-12-2023 to 31-3-2024) $= 5{,}00{,}000 \; \frac{8}{100} \times \frac{4}{12} =$ ₹ 13,333

Total ₹ 40,000

Problem 28

Mr. Rampal let out a house to Mr. Ramlal on 1.4.2016 @ ₹ 6,000 p.m. for five years. After the expiry of five years, Mr. Ramlal refused to vacate the house. Hence, Mr. Rampal filed a suit to get the house vacated and incurred expenses ₹ 20,000 in this connection. Later on Mr. Rampal agreed to renew the tenancy for five years *w.e.f.* 1.4.2021 if Ramlal pays him rent @ ₹ 9,000 p.m. Ramlal agreed to it and paid the arrears of rent from 1.4.2021 to 31.3.2023 on 1.6.2023. Mr. Rampal paid the following amount during the previous year: (i) Local tax ₹ 16,000; (ii) Insurance premium ₹ 1,600; (iii) Ground rent ₹ 1,000.

Find out the income from house property for A.Y. 2024-25.

Solution

COMPUTATION OF INCOME FORM HOUSE PROPERTY

(for the Assessment Year 2024-25)

		₹
G.A.V. (Rent received @ ₹ 8,000 p.m.)		1,08,000
Less : Municipal Tax		16,000
Annual Value		92,000
Less : 30% of A.V.		27,600
		64,400
Add : Arrears of rent received from 1.4.2021 to 31.3.2023 (24 months) @ ₹ 8,000 p.m.	2,16,000	
Less : 30% of arrears received	64,800	1,51,200
Income from House Property		₹ 2,15,600

Note : Amount spent on filing suit to get the house vacated and other expenses are not deductible.