

Income tax essay sample

[Economics](#), [Tax](#)



Mr. Sami is employee of a private company with following emoluments'. *

Basic salary 60, 000 PM * Medical allowance 8, 000 PM * House rent allowance 12, 000PM * Dearness allowance6, 000 PM

* Company has given a car for his personal use having cost Rs. 700, 000. *

He is the owner of a house which was previously rented in 2009 at rent of Rs 15, 000 per month with a refundable security of 300, 000. At the end of Feb 2013 the building was vacated by previous tenant in March 1st 2013. * It is again rented to another person at the monthly rent Rs. 30, 000 and received 500, 000 as security. The amount was refunded to previous tenant.

He also received loan from company Rs 800, 000 with 6% interest rate. * Mr. Nouman receives laptop from company FMV is Rs 60, 000, Mr. Nouman paid only Rs20, 000. Company also maintained provident fund, Employer and employee have equal contribution 10% of Basic salary in provided fund.

Accumulated balance in bank Rs 300, 000 with 12% interest rate. * Mr.

Nouman hashis own business of shoes. His Sale of business Rs 800, 000 and his business expenses are Rs 400, 000. * He further invested his money in shares and bought shares for 300, 000 of a listed company. * He earned income by selling capital assets, listed company share for 400, 000 which he bought for 300, 000 and kept for 10 months. * He sold jewelry for 200, 000 which cost was 100, 000 which he kept for 15 months.

* He owned a flat which he sold for Rs 1, 500, 000.

* He received dividend of Rs 75, 000.

* Gain on listed company share is RS 40, 000.

* He also won a prize bond of RS 200, 000

- * He already deducted advance tax of Rs 200, 000.
- * Zakat is also deducted of Rs 300, 000.