

INCOME TAX PRACTICE TEST PAPER - SET 1**[SERIES "A" - 23rd Edition]****For CA INTER MAY 26, SEP 26 & JAN 27 EXAMs****ASSESSMENT YEAR 2026-27**

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Source: CA Inter Revision Test Paper [ICAI] - May 2026 EXAM**[Solutions are updated (Amended)]**

1. **[Salaries + House Property + Capital Gains + IFOS + Deductions + Tax]** Mr. Roshan, aged 45 years, is employed as a finance manager in XYZ Ltd., Mumbai. During the F.Y. 2025-26, he receives the following:

- Basic Salary - ₹ 60,000 p.m.
- DA - ₹ 12,000 p.m. (50% is forming part for retirement benefits)
- Employer's contribution to PF – 15% of basic salary

He owns a house property which is let out during the P.Y. 2025-26. He has taken a loan for acquisition of this house and paid interest of ₹ 2.20 lakhs during the year. Details of house property are as follows:

- Municipal Value – ₹ 1,80,000 per annum
- Fair Rent – ₹ 1,95,000 per annum
- Standard Rent – ₹ 1,80,000 per annum
- Actual Rent received – ₹ 1,70,000 per annum
- Municipal Tax (paid by tenant) – 7.5% of municipal value
- Repair Expenses (paid by Mr. Roshan) – ₹ 9,000

Other transactions during the Financial Year 2025–26 are as under:

- (1) Household LED and refrigerator purchased in January 2017 for ₹ 56,000 were sold in February 2026 for ₹ 15,000.
- (2) Advance of ₹ 4,00,000 was received from Mr. Vanraj on 1st May 2025 against sale of urban agricultural land for ₹ 11,00,000 which was being used by his father for agricultural purposes during last 2 years and 8 months. However, due to non-payment of balance amount, advance was forfeited.
- (3) The same land was subsequently sold to Mr. Jain on 1st December 2025 for ₹ 10,50,000. The land was purchased on 20th January 2006 for ₹ 1,50,000. Mr. Roshan purchased new rural agricultural land on 10th March 2026 for ₹ 9,50,000.
- (4) Interest credited in PPF account during the year amounted to ₹ 40,500.
- (5) He paid ₹ 75,000 as premium towards life insurance cover for self and his wife and also contributed ₹ 1,00,000 towards PPF.

Cost Inflation Indices for the Financial Years are under:

2005-06: 117
2016-17: 264
2025-26: 376

Mr. Roshan wants to pay tax under default tax regime.

Based on the facts of the case scenario given above, choose the most appropriate answer to the following multiple-choice questions:

- (i) What would be the amount chargeable to tax under the head “Salaries” of Mr. Roshan for the A.Y. 2026-27?
(a) ₹ 7,93,320
(b) ₹ 8,01,960
(c) ₹ 8,10,600
(d) ₹ 8,26,960
- (ii) Compute the amount of capital gains chargeable to tax in the hands of Mr. Roshan for the A.Y. 2026-27.
(a) ₹ 9,00,000
(b) ₹ 5,26,948
(c) Nil
(d) ₹ 4,59,000
- (iii) What would be the total income of Mr. Roshan for the A.Y. 2026-27?
(a) ₹ 12,01,960
(b) ₹ 11,07,960
(c) ₹ 20,16,600
(d) ₹ 21,51,100
- (iv) What would be the tax liability of Mr. Roshan for the A.Y. 2026-27?
(a) ₹ 1,70,730
(b) ₹ 1,87,370
(c) Nil
(d) ₹ 2,040
- (v) What would be the tax liability of Mr. Roshan for the A.Y. 2026-27 if he opts out of the default tax regime?
(a) ₹ 1,13,460
(b) ₹ 1,03,060
(c) ₹ 2,35,990
(d) ₹ 2,33,680

ANSWER KEY

Question No.	Answer
(i)	(b) ₹ 8,01,960
(ii)	(c) Nil
(iii)	(a) ₹ 12,01,960
(iv)	(d) ₹ 2,040
(v)	(a) ₹ 1,13,460

2. **[Residential Status]** Mr. Subhash, **an Indian citizen**, is currently in employment with an overseas company located in Country X. During the previous year 2025-26, he comes to India for 135 days. He is in India for 100 days, 50 days, 76 days and 45 days in the financial years 2021-22, 2022-23, 2023-24 and 2024-25, respectively. His annual income for the previous year 2025-26 is as follows:

Particulars	Amount (₹)
Income from salary earned and received in Country X	2,00,000
Income earned and received from a house property situated in Country X	5,00,000
Income deemed to be accrued and arise in India	2,00,000
Income from retail business (accrued and received outside India, controlled from India)	10,00,000
Income accrued and arise in India	4,00,000

Determine the residential status of Mr. Subhash for the assessment year 2026-27. **He is not liable to pay tax in Country X.**

Solution:

Mr. Subhash is an Indian citizen in employment in Country X. He comes on a visit to India during the P.Y. 2025-26 for 135 days.

His stay in India in the four immediately preceding previous years is as follows:

P.Y. 2021-22	– 100 days
P.Y. 2022-23	– 50 days
P.Y. 2023-24	– 76 days
P.Y. 2024-25	– 45 days
Total	– 271 days

Mr. Subhash, an Indian citizen, visiting India in the P.Y. 2025-26, would be a resident in India for A.Y. 2026-27, if he satisfies either of the following conditions –

- He is in India for 182 days or more during the P.Y. 2025-26 or
- He is in India for a period of 120 days or more during the P.Y. 2025-26; his stay in India in the four immediately preceding previous years is 365 days or more **and his total income (excluding income from foreign sources) exceeds ₹ 15 lakhs.**

Since he did not satisfy either of the conditions, Mr. Subhash is a **not a resident** in P.Y. 2025-26 as per section 6(1).

However, he would be deemed resident under section 6(1A) if his total income (excluding income from foreign sources) exceeds ₹ 15 lakhs irrespective of the period of his stay in India in the relevant previous year.

Computation of Total Income (excluding income from foreign sources) of Mr. Subhash

Particulars	Amount (₹)
Income from salary earned and received in Country X (income from a foreign source, hence, to be excluded)	-
Income earned and received from a house property situated in Country X (income from a foreign source, hence, to be excluded)	-
Income deemed to be accrued and arise in India	2,00,000
Income from retail business (to be included since the business is controlled from India, even though such income accrues and is received outside India)	10,00,000
Income accrued and arise in India	4,00,000
Total Income (excluding income from foreign sources) of Mr. Subhash	16,00,000

Since Mr. Subhash is an Indian citizen having total income (excluding income from foreign sources) exceeding ₹ 15 lakhs and not liable to tax in Country X, **he would be a deemed resident in P.Y. 2025-26 as per section 6(1A). He would be treated as resident but not ordinarily resident.**

3. **[Salaries]** Ms. Nisha is a marketing manager in Rose Ltd. She gives you the following details for P.Y. 2025-26:

- (i) Basic salary of ₹ 45,000 p.m.
- (ii) Dearness Allowance of ₹ 10,000 p.m. (30% is for retirement benefits)
- (iii) Bonus of one-month basic salary
- (iv) She contributes 18% of her salary (Basic Pay + DA) towards recognised provident fund and the company contributes the same amount.
- (v) Motor car owned by the employer (cubic capacity of engine exceeds 1.6 litres) provided to Ms. Nisha from 1st November, 2025 which is used for both official and personal purposes. Repair and running expenses of ₹ 50,000 were fully met by Ms. Nisha. The motor car was self-driven by the employee.
- (vi) The company pays medical insurance premium of ₹ 18,000 to effect insurance on the health of Ms. Nisha.
- (vii) Her employer gave him a rent free accommodation in Mumbai from 1.4.2024. The house was taken on lease by Rose Ltd. for ₹ 12,000 p.m. The perquisite value of such accommodation for the P.Y. 2024-25 was ₹ 55,000.

CII – F.Y. 2024-25: 363; F.Y. 2025-26: 376

- (viii) Company incurred expenses on the treatment of her daughter abroad including stay expenses of ₹ 1,50,000 as permitted by the RBI.
- (ix) Company also incurred expenses in relation to the foreign travel for medical treatment of daughter of ₹ 80,000.

Compute the income chargeable to tax under the head "Salaries" in the hands of Ms. Nisha for the Assessment Year 2026-27 **under optional tax regime.**

Solution:

Computation of income chargeable to tax under the head "Salaries" in the hands of Ms. Nisha for A.Y. 2026-27

Particulars	₹
Basic Salary [₹ 45,000 x 12]	5,40,000
Dearness allowance [₹ 10,000 x 12]	1,20,000
Bonus	45,000
Employer's contribution to recognized provident fund in excess of 12% of salary = 18% x [(₹ 45,000 + ₹ 10,000) x 12] – 12% x [(₹ 45,000 + ₹ 3,000 (being 30% of ₹ 10,000)) x 12] = ₹ 1,18,800 – ₹ 69,120 [Salary = Basic Salary + Dearness allowance, to the extent it forms part of pay for retirement benefits]	49,680
Perquisite value Provision of motor car (engine cubic capacity more than 1.6 litres) owned by employer to an employee without chauffeur for both official and personal purpose, where the expenses are fully met by the employee - the perquisite value would be ₹ 900 p.m. [₹ 900 x 5 months]	4,500

Medical insurance premium of ₹ 18,000 paid by the employer to effect an insurance on the health of an employee is an exempt perquisite			-
Value of rent free accommodation [Lower of ₹ 62,100 i.e., 10% of ₹ 6,21,000 (₹ 5,40,000, being salary + ₹ 36,000, being DA forming part of retirement benefit + ₹ 45,000, being bonus) or ₹ 1,44,000, being rent paid by the employer]	62,100		
[Very Important] As per Rule 3, value of perquisite in case of accommodation continued to be provided to an employee for more than one previous year, shall not exceed the amount calculated for first previous year, as multiplied by the amount which is a ratio of CII for the previous year for which the value is calculated and CII for the previous year in which accommodation was initially provided to the employee.			
Accordingly, value of perquisite for P.Y. 2025-26 to be restricted to = ₹ 55,000 x 376/363	56,970	56,970	
Medical expenditure including stay expenses of ₹ 1,50,000 incurred by employer for treatment of her daughter outside India [Exempt since it is permitted under RBI guidelines]			-
Travel expense of ₹ 80,000 incurred by employer on foreign travel for medical treatment [Travel expenses would be exempt, since Ms. Nisha's gross total income before including travel expenditure does not exceed ₹ 8 lakhs.]			-
Gross Salary			8,16,150
Less: Standard deduction under section 16(ia)			50,000
Salary chargeable to tax			7,66,150

4. **[Clubbing of Income & Setoff of losses]** Mr. Vipul furnished the following details for the previous year 2025-26:

- (i) Loss from House Property (computed) in India – ₹ 2,60,000
- (ii) Income from business in India – ₹ 8,60,000
- (iii) Short Term Capital Gain on sale of equity shares listed in recognized stock exchange (STT paid) – ₹ 1,99,800
- (iv) Income from card game (Gross) – ₹ 1,02,500
- (v) Loss from betting (Gross) – ₹ 87,500
- (vi) Expenses of Lottery Income – ₹ 7,500
- (vii) Income from Lottery Income – ₹ 38,500 (Net of TDS)
- (viii) Loss from the activity of owning and maintaining camels for races – ₹ 20,000
- (ix) Income from the activity of owning and maintaining race horses – ₹ 97,800
- (x) Long term capital gain on sale of land – ₹ 25,000
- (xi) Income of minor daughter Riya from script writing for Television series - ₹ 15,000
- (xii) Interest income of minor son Saurabh who suffers from disability specified in section 80U - ₹ 2,50,000

Following are the brought forward losses:

- Loss from Textile Business pertaining to A.Y. 2014-15 – ₹ 7,000
- Long-term capital loss pertaining to A.Y. 2017-18 – ₹ 1,12,500
- Short term capital loss pertaining to A.Y. 2018-19 – ₹ 90,200

Compute gross total income of Mr. Vipul as per optional tax regime and find out the amount of losses which can be carried forward.

Solution:

Computation of Gross total income of Mr. Vipul for the A.Y. 2026-27

	Particulars	Amount (₹)	Amount (₹)
(i)	<u>Profits and gains of business or profession</u>		
	Income from business in India	8,60,000	
	Less: Set-off of loss from activity of owning and maintaining camel for races [Important]	<u>20,000</u>	
		8,40,000	
	Less: Loss from house property of ₹ 2,60,000 can be set-off against any other head of income to the extent of ₹ 2,00,000.	<u>2,00,000</u>	
		6,40,000	
	Less: Unabsorbed loss from textile business pertaining to A.Y. 2014-15 cannot be set-off against the business income of the A.Y. 2026-27, since loss can be carried forward for a maximum of eight assessment years.	-	6,40,000
(ii)	<u>Capital Gains</u>		
	Short Term Capital Gain on sale of equity shares listed in a recognized stock exchange (STT paid)	1,99,800	
	Less: Short-term capital loss of A.Y. 2018-19	<u>90,200</u>	1,09,600
	Long term capital Gain on Sale of land	25,000	
	Less: Long-term capital loss pertaining to A.Y. 2017-18 cannot be set-off against LTCG of the A.Y. 2026-27, since such loss can be carried forward for a maximum of eight assessment years.	-	25,000
(iii)	<u>Income from other sources</u>		
	Income from card game	1,02,500	
	Income from Lottery [Expenses of Lottery income are not allowed as a deduction] [₹ 38,500/(100-30)]	55,000	
	Income from the activity of owning and maintaining race horses	97,800	
	Income of ₹ 15,000 of minor daughter Riya from script writing for television serials [Income derived by a minor child from any activity involving application of his/her skill, talent, specialized knowledge and experience is <u>not to be included</u> in the hands of the parent]	-	
	Income of ₹ 2,50,000 of minor son Saurabh who suffers from disability specified in section 80U [Since minor child Saurabh is suffering from disability specified under section 80U, hence, his income would not be included in the income of the parent but would be taxable in the hands of the minor child]	-	2,55,300
	Gross Total Income		10,29,900

Item eligible for carried forward to A.Y. 2026-27

Particulars	Amount (₹)
Current year loss from House property	60,000
Loss from betting can neither be set off against any other income, nor can it be carried forward.	-

5. Examine the applicability and determine the amount of tax deduction/ collection at source as per the Income-tax Act, 1961 for the A.Y. 2026-27 in the following situations:
- [TDS]** ABC Ltd. sells a flat to Mr. Jatin for ₹ 47 lakhs on 15.5.2025. The agreement to sell provides that in addition, Mr. Jatin has to pay maintenance charges of ₹ 10,000 per month for 24 months in advance, ₹ 3 lakhs for car parking, and ₹ 1 lakh for club membership fees to ABC Ltd. The stamp duty value of the flat is ₹ 48 lakhs.
 - Important - [TDS & TCS]** State Government of Jharkhand grants a lease of coal mine to M/s XYZ Ltd. on 1.5.2025 and charged ₹ 7 crores for the lease. M/s XYZ Ltd. sold coal for ₹ 2 crores to M/s LMN, a public sector company, during the P.Y. 2025-26. The turnover of XYZ Ltd. and M/s LMN, PSU, for the F.Y. 2024-25 amounted to ₹ 5.5 crores and ₹ 11 crores, respectively.

Solution:

- Section 194-IA requires deduction of tax @1% of consideration for transfer or stamp duty value, whichever is higher, by every transferee responsible for paying any sum as consideration for transfer of immovable property (land, other than agricultural land, or building or part of building) to a resident transferor.

Tax is not required to be deducted at source where the total amount of consideration for the transfer of immovable property and the stamp duty value both are less than ₹ 50 lakhs.

Consideration for transfer of any immovable property includes, *inter alia*, club membership fee, car parking fee, maintenance fee, which are incidental to transfer of the immovable property.

In the present case, since the consideration for transfer of flat by Mr. Jatin to ABC Ltd. is ₹ 53,40,000 (₹ 47 lakhs + ₹ 2,40,000, being ₹ 10,000 x 12 x 2 + ₹ 3 lakhs + ₹ 1 lakh) which is not less than ₹ 50 lakhs, **Mr. Jatin is required to deduct tax @1% on ₹ 53,40,000, being higher of consideration and stamp duty value.**

Tax deductible by Mr. Jatin would be ₹ 53,400.

- State Government is required to collect tax at source @ 2% u/s 206C(1C) on ₹ 7 crores, being the charges for lease of coal mine.

Accordingly, TCS = 2% x ₹ 7 crores = ₹ 14,00,000

Every person, being a seller, is required to collect at source @1% under section 206C(1) on sale of coal to a buyer. **However, a public sector company is not covered within the definition of buyer.**

Accordingly, M/s XYZ Ltd. is not required to collect tax at source on sale of coal to M/s LMN, a PSU.

However, since the turnover of M/s LMN, a PSU exceeds ₹ 10 crores during the P.Y. 2024-25, it is required to deduct tax at source under section 194Q @0.1% of sum exceeding ₹ 50 lakhs paid to M/s XYZ Ltd.

Accordingly, TDS = 0.1% x ₹ 1.50 crores = ₹ 15,000.

6. [Total Income including PGBP + Deduction + Tax Computation/Section 115BAC]

Mr. Yuvaan, a resident individual, aged 45 years, is engaged in manufacturing of textile business, as a proprietor. He follows mercantile system of accounting. The net profit as per profit and loss account after debiting/crediting the following items was ₹ 20,00,000

- (i) ₹ 25,000 paid to creditor for goods in cash.
- (ii) Gross interest received from saving bank account ₹ 15,000.
- (iii) Contribution to notified approved research association for scientific research ₹ 1,10,000.
- (iv) He paid a job charges for the value addition on the fabrics ₹ 1,10,000 without deduction of tax to job worker by an account payee cheque.
- (v) Normal depreciation of ₹ 4,50,000 as per Income-tax Rules, 1962 including depreciation on ₹ 15 lakhs, being the cost of new machinery purchased and put to use on 01-09-2025.
- (vi) Subsidy of 20% on new machinery under technology upgradation fund Scheme from the Central Government which was credited to profit and loss account.
- (vii) Insurance expenses include ₹ 50,000 deposited with life insurance Corporation of India for the maintenance of her mother aged 70 years depended upon him and suffering from severe disability.
- (viii) General expenses include revenue expenditure incurred for promoting family planning amongst its employees of ₹ 75,000.
- (ix) On 01-03-2026, Mr. Yuvaan purchased raw material for ₹ 30,000 from Kanha & Co., a medium enterprise as per MSMED Act, 2006, for which the payment was made on 18-04-2026. There was no agreement for payment period between them.

Additional Information:

- (a) Mr. Yuvaan repaid housing loan principal and interest of ₹ 75,000 and ₹ 80,000 respectively, availed for purchase of let-out house property.

He received rent of ₹ 3,50,000 from his let-out house property. The municipal taxes of ₹ 40,000 for this house was paid by him on 30-04-2026

- (b) He received ₹ 75,000 by pre-mature withdrawals from deposit including interest ₹ 5,000, in post office time deposit, eligible for deduction under Section 80C.
- (c) He sold a gold bracelet on 01-05-2025 for ₹ 5,00,000, which was acquired for ₹ 40,000 on 01-03-2005. A diamond was embedded onto bracelet on 01-05-2007 of ₹ 50,000. (cost inflation index 2004-05:113, 2007-08:129 and 2025-26:376)

Required:

Compute the total income and tax liability of Mr. Yuvaan for the assessment year 2026-27 under default tax regime and optional tax regime.

The turnover of the business for the financial year 2024-25 is ₹ 250 lakhs and for F.Y. 2025-26 is ₹ 300 lakhs

Solution:

Computation of total income of Mr. Yuvaan for A.Y. 2026-27 under default tax regime

Particulars		₹	₹	₹
I	Income from house property			
	Rent received (GAV)		3,50,000	
	Less: Municipal taxes [Will be allowed only in the year of actual payment. Since it was paid on 30.4.2026 i.e., after the end of the relevant previous year, it will be allowed only in P.Y. 2026-27.]		-	
	NAV		3,50,000	
	Less: Deduction under section 24			
	- 30% of NAV	1,05,000		
	- interest on housing loan	80,000	1,85,000	1,65,000
II	Income from business or profession			
	Net profit as per profit and loss account		20,00,000	
	Add: Items of expenditure not allowable while computing business income			
	- Payment to creditor in cash [Payment to creditor in cash is not allowable as business expenditure by virtue of section 40A(3), since such amount exceeds ₹ 10,000 and paid in cash]	25,000		
	- Contribution to notified approved research association for scientific research [Not allowable under default tax regime]	1,10,000		
	- Job charges without deduction of tax [30% of ₹ 1,10,000] [Mr. Yuvaan's turnover for the P.Y. 2024-25 exceeds ₹ 1 crore, hence, he is liable to deduct tax at source u/s 194C on Job charges of ₹ 1,10,000. Since he has not deducted tax at source on ₹ 1,10,000, 30% would be disallowed under section 40(a)(ia)]	33,000		
	- Insurance deposited with LIC of India for the maintenance of her mother [Personal expenses not allowable under section 37]	50,000		
	- Revenue expenditure incurred for promoting family planning [Allowable only in case of company and not allowable for non- corporate assessee]	75,000		
	- Purchases made from Kanha & Co., a medium enterprise [Disallowance under section 43B(h) is not applicable on payment to a medium enterprise. Accordingly, allowable on due basis during the P.Y. 2025-26]	-	2,93,000	
			22,93,000	
	Less: Items credited but not taxable or taxable under other heads			
	- Gross interest received from saving bank account	15,000		
	- Subsidy on new machinery [Subsidy on new machinery has to be reduced from actual cost of machinery]	3,00,000	3,15,000	
			19,78,000	
	Add: Depreciation claimed on subsidy received for new machinery [₹ 15 lakhs x 20% x 15%]		45,000	
	Less: Additional depreciation on new machinery [Not allowable under default tax regime]		-	20,23,000

III	Capital Gains Long term capital gain on sale of gold bracelet since it is held for more than 24 months Sale consideration Less: Cost of acquisition Less: Cost of improvement Long term capital gains	5,00,000 40,000 <u>50,000</u>	4,10,000
IV	Income from other sources - Gross interest received from saving bank account - Pre-mature withdrawal from post office time deposit [Amount including interest received on pre-mature withdrawal from post office time deposit, in respect of which deduction u/s 80C was claimed, would be deemed to be the income of Mr. Yuvaan]	15,000 <u>75,000</u>	90,000
Gross Total Income			26,88,000
Less: Deduction under Chapter VI-A			
Deduction under section 80C Housing loan repayment [Not allowed under default tax regime]		-	
Deduction under section 80DD Deposit with life insurance Corporation of India for the maintenance of her mother [Not allowed under default tax regime]		-	
Deduction under section 80TTA Interest on saving bank account [Not allowed under default tax regime]		-	-
Total Income			26,88,000

Computation of tax liability of Mr. Yuvaan for A.Y. 2026-27 under default tax regime

Particulars	₹	₹
Tax @12.5% on LTCG of ₹ 4,10,000 on sale of gold bracelet		51,250
Tax at slab rate on balance income of ₹ 22,78,000		
Upto ₹ 4,00,000	Nil	2,69,500
₹ 4,00,001 – ₹ 8,00,000 [@5% of ₹ 4 lakhs]	20,000	
₹ 8,00,001 – ₹ 12,00,000 [@10% of ₹ 4 lakhs]	40,000	
₹ 12,00,001 – ₹ 16,00,000 [@15% of ₹ 4 lakhs]	60,000	
₹ 16,00,001 – ₹ 20,00,000 [@20% of ₹ 4 lakhs]	80,000	
₹ 20,00,001 - ₹ 22,78,000 [@ 25% of ₹ 2,78,000]	69,500	
Tax before cess		3,20,750
Add: Health and education cess @4%		12,830
Tax liability		3,33,580

Computation of total income of Mr. Yuvaan for A.Y. 2026-27 under optional tax regime

Particulars	₹
Gross Total Income as per default tax regime	26,88,000
Less: Contribution to notified approved research association for scientific research [Allowable as deduction under section 35(1)(ii) under optional tax regime]	1,10,000
Less: Additional depreciation on new machinery [(₹ 15,00,000 - ₹ 3,00,000) x 20%]	2,40,000
Gross Total Income as per optional tax regime	23,38,000
Less: <u>Deduction under Chapter VI-A</u>	
Deduction under section 80C	
Housing loan repayment	75,000
Deduction under section 80DD	
Deposit with life insurance Corporation of India for the maintenance of her mother	1,25,000
Deduction under section 80TTA	
Interest on saving bank account	10,000
Total Income as per optional tax regime	21,28,000

Computation of tax liability of Mr. Yuvaan for A.Y. 2026-27 under optional tax regime

Particulars	₹	₹
Tax @12.5% on LTCG of ₹ 4,10,000 on sale of gold bracelet		51,250
Tax at slab rate on balance income of ₹ 17,18,000		
Upto ₹ 2,50,000	Nil	
₹ 2,50,001 – ₹ 5,00,000 [@5% of ₹ 2.50 lakh]	12,500	
₹ 5,00,001 – ₹ 10,00,000 [@20% of ₹ 5,00,000]	1,00,000	
₹ 10,00,001 - ₹ 17,18,000 [@ 30% of ₹ 7,18,000]	2,15,400	3,27,900
		3,79,150
Add: Health and education cess@4%		15,166
Tax liability		3,94,316
Tax liability (Rounded off)		3,94,320

