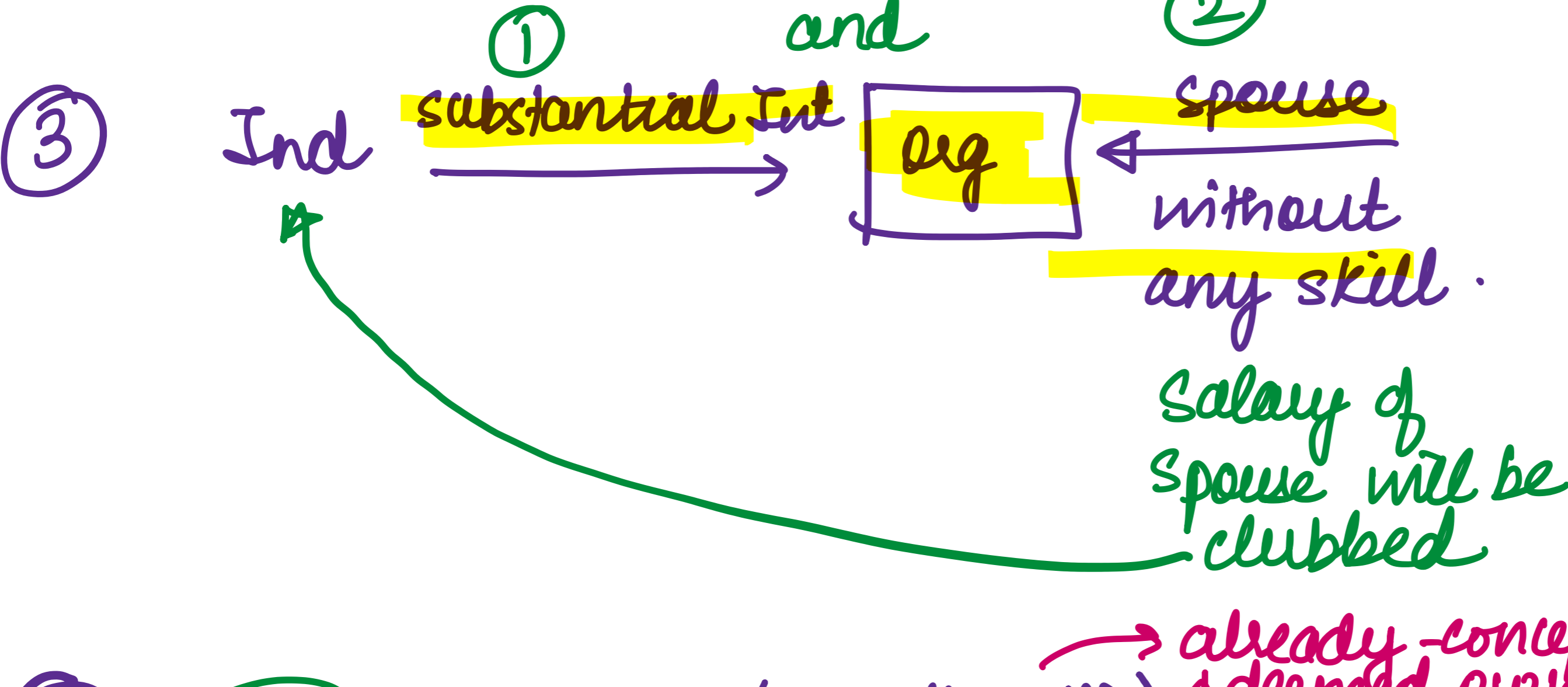


Mandatory in 9 situation

① Asset not transferred but Income transferred



② Asset is transferred, but Hb is revocable



④ Ind asset (other than HP) → transferred to spouse for inadequate consideration *
→ already concept of deemed owner spouse

Mr X HP → gifted → Mrs X, Mr X becomes deemed owner

① Mr X deb 1,00,000 → Mrs X gift Int clubbed Mr X

② Mrs X sell debentures makes CG of 50,000 shopping. 50,000 - Mr X

③ 1,00,000 - FD - 10,000 Int :- 10,000 - Mr X
 Reason: ∴ asset may be held in same form or in diff form.

④ Deb 1,00,000 sell → FD. Int - clubbed
 CG 50,000 shopping - no effect

⑤ Deb 1,00,000 sell → FD 1,00,000 Int clubbing
 CG 50,000 → FD Int - no clubbing.

⑥ (X → Mrs X) Deb 1,00,000 → Int 14,000 - Mr X - clubbing
 14,000 - friend loan 1,500 Int - no clubbing
 Reason: Income on Income is not clubbed

⑦ Relationship of husband & wife subsists at two point (a) asset is transferred and (b) income is earned.

~~⑧ Mr X to~~

⑧ Cross transfer / Indirect transfer
 Mr X → Mrs A } Clubbing is applicable
 Mrs A → Mrs X }
 Refer Vasudevan Question 86 Pg 79 of Manju

⑨ Mr X cash/chr of Rs 1,00,000 → Mrs X.

eg1 Mrs X 1,00,000 FD, Int 10,000 → 10,000 will be clubbed.

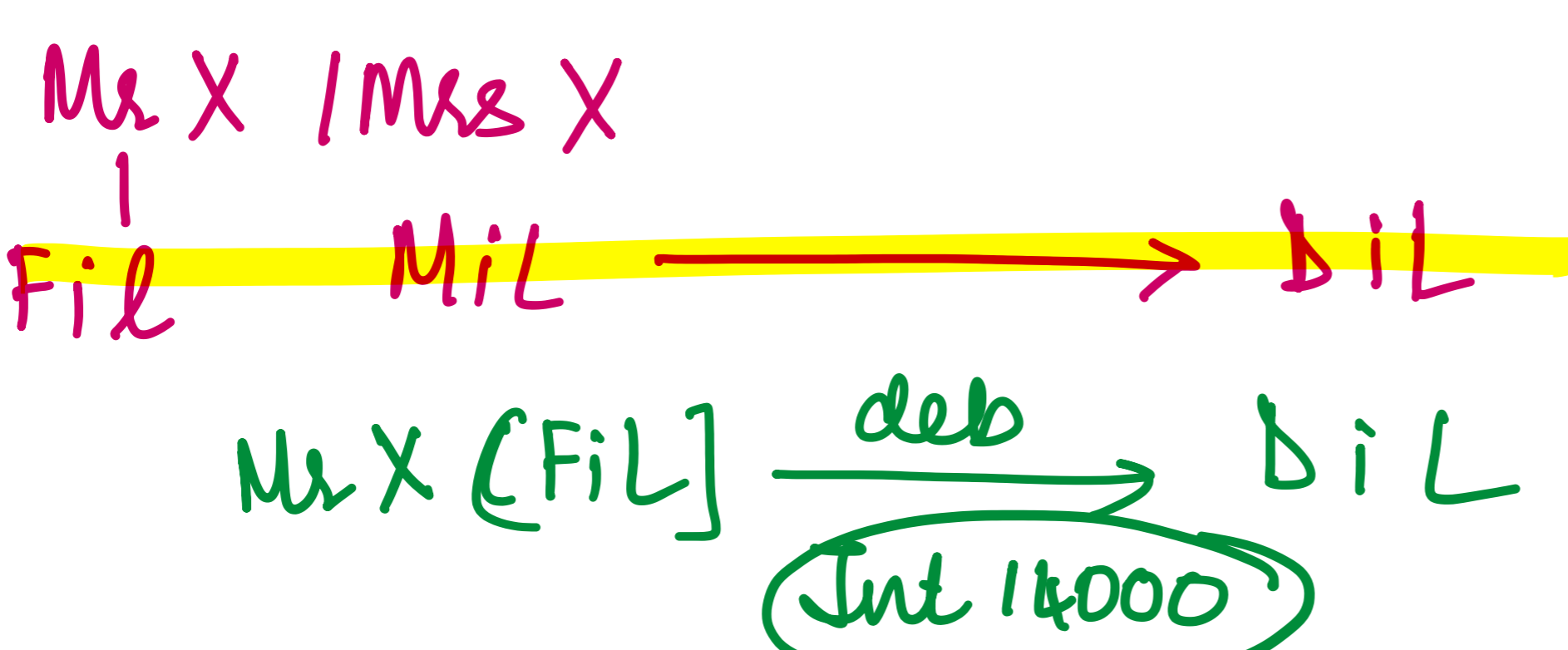
eg2 Mrs X 1,00,000 → Mrs X. 2L Cap started business ↓ Profit of 50,000

∴ Proportionate profit to be clubbed
 Profit to be clubbed = $\frac{\text{Total Profit}}{\text{Total Capital as on 1st day}} \times \text{Cap given by spouse as on 1st day.}$
 85 Mrs Rani eg. Manju

eg3 X 1,00,000 → Mrs X
 Mrs X + Mrs Y Partnership

- ① share of profit - anyway exempt
- ② Int on Cap - proportionate Int will be clubbed.
- ③ salary - not clubbed.

V Ind asset for in adequate consideration → to son's wife



all eg of Point IV are applicable here

VI Ind asset → Trust AOP → Spouse
 deb Int
 Third Person

Income will be clubbed in hands of transferor

VII Ind asset → Trust AOP → Son's wife
 Fil MIL Third Person DIL

Income will be clubbed in hands of transferor

VIII Minor Income - Rambaan

IX HUF
 a) Ind self acquired property → HUF
 ↑
 Income will be clubbed in hands of transferor

b) Ind HP → HUF → HP → spouse of Ind
 ↑ HP partition to brother of X (no clubbing)
 ↓ during partition of HUF

Income will be clubbed in hands of transferor