

Time: One Hour

Max. Marks: 50

Instructions

Solve any 25 questions from Q.1 to Q.30

Solve any 25 questions from Q.31 to Q.60

- 1 The Income Tax Act, 1961 came into force on the
 (A) 1st day of April, 1961 (B) 1st day of January, 1961 (C) 1st day of April, 1962 (D) 1st day of January, 1962
- 2 Fees received by the employee from his employer shall be charged to tax as
 (A) Profits and gains from Business or Profession (B) Income from other sources (C) Salary Income (D) Capital gains
- 3 Gross annual value includes ____
 (A) Municipal value (B) Fair rental value (C) Actual rent (D) All of the above
- 4 Which of the following are included in business according to section 2(13)
 (A) Trade (B) Commerce (C) Manufacture (D) All of the above
- 5 Gains or Profit on transfer of capital assets is called as ____
 (A) Capital gain (B) Short term capital gain (C) Long term capital gain (D) None of the above
- 6 Assessment year can be a period of
 (A) Only more than 12 months (B) 12 months and less than 12 months (C) Only 12 months (D) 12 months and more than 12 months
- 7 Exemption in respect of house rent allowance in case of metro cities is ____ of the following:
 (1) 50% of salary
 (2) HRA actually received
 (3) Rent paid in excess of 10% of salary.
 (A) Lower (B) Higher (C) Any (D) None
- 8 Rent is income from ____?
 (A) Salary (B) House property (C) Capital gain (D) Other sources
- 9 While computing income from business and profession, inadmissible expenses need to be ____ to the net profit
 (A) Added to the net profit (B) Deducted from the net profit (C) Not shown (D) None of the above
- 10 If any assets sold after ____ months than such capital gain is called long term capital gain
 (A) 12 (B) 18 (C) 24 (D) 36
- 11 Given the previous year 2018-19, the assessment year shall be
 (A) 2017-18 (B) 2016-17 (C) 2018-19 (D) 2019-20
- 12 In case of non-Government employees, the value of perquisite in respect of rent free unfurnished accommodation provided to the employee (the accommodation taken on lease by the employer) shall be ____ if the accommodation is located in a city where the population is below 10 lakhs
 (A) 7.5% of the salary or actual rent, whichever is lower (B) 15% of the salary or actual rent, whichever is lower. (C) 10% of the salary or actual rent, whichever is lower. (D) None of the above
- 13 Section 22 of the Act is the charging section for taxing any income under the head _____.
 (A) Income from Other Sources (B) House Property (C) Profits and gains from Business or Profession (D) Capital Gains
- 14 Income chargeable under the head 'Profits and Gains from Business or Profession' is covered under _____.
 (A) Section 23 (B) Section 28 (C) Section 25 (D) Section 24
- 15 The following shall not be regarded as capital asset:
 (A) Jewelry (B) Rural Agricultural land (C) Archaeological Collections (D) Personal residential house
- 16 The term "Income" is defined under section of the Income Tax Act.
 (A) 2(24) (B) 2(36) (C) 2(15) (D) 2(47)
- 17 Gross salary includes the following:
 (A) Salary (B) Allowances (C) Perquisites (D) All of the above
- 18 Gross Annual Value of a self-occupied property is:
 (A) Fair Rent (B) Nil (C) Expected Rent (D) None of the above
- 19 Sections 28 to 44D of Income Tax Act, 1961 related to _____.
 (A) Income from House Property (B) Profit and Loss from Business or Profession (C) Income from Salary (D) Income of HUF
- 20 Dividend received from a foreign company is charged to tax under the head _____.
 (A) Profits and Gains from Business or Profession (B) House property (C) Income from other source (D) Capital gains
- 21 Income Tax is charged in -
 (A) Financial Year (B) Assessment Year (C) Previous Year (D) Accounting Year
- 22 As per income tax act, under which section standard deduction is received?
 (A) u/s 16(i) (B) u/s 80(c) (C) u/s 80(d) (D) None of the above

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- 23 The standard deduction that can be claimed under section 24(1) is of Net annual value.
(A) 20% (B) 40% (C) 30% (D) 50%
- 24 ___ are not allowed while calculating income from business.
(A) Charity (B) R.D.D (C) Donations (D) All of the above
- 25 Which of the following incomes may not be charged to tax under the head "Income from other sources"?
(A) Winning from lotteries (B) Gift (C) Interest on securities (D) Dividend
- 26 Rates of Income tax are fixed
(A) By an Ordinance (B) Under the Income Tax Act (C) By the Finance Act (D) By CBDT
- 27 Mr. Mahesh received uniform allowance of Rs. 24,000 from his employer. He had incurred expenditure of Rs. 10,000 on account of maintenance of uniform. What will be the tax treatment of uniform allowance in the hands of Mr. Mahesh?
(A) Rs. 24,000 shall be taxed. (B) Rs. 24,000 shall be exempt from tax (C) Rs. 10,000 shall be charged to tax (D) Rs. 14,000 shall be charged to tax
- 28 Only ___ self occupied house property exempt from tax.
(A) One (B) Two (C) Three (D) Five
- 29 General deductions under (section 37) of Profits and Gains from Business or Profession are:
(A) Audit fees (B) Administration expenses (C) Profession tax (D) All of the above
- 30 Which is the charging section for income chargeable under the head Income from other sources?
(A) Section 15 (B) Section 28 (C) Section 22 (D) Section 56
- 31 As per section 2(31), the following is not included in the definition of 'person'
(A) An individual (B) A Hindu undivided family (C) A company (D) A minor
- 32 Year in which income is taxable is known as _____ and year in which income is earned is Known as _____
(A) Previous year, Assessment year (B) Assessment year, previous year (C) Assessment year, Assessment year (D) Previous year, previous year
- 33 Which amongst the following is not a head of Income?
(A) Salaries (B) Income from house Property (C) Capital gains (D) Income from exports
- 34 The term 'income' includes the following types of incomes -
(A) Legal (B) Illegal (C) Legal and illegal both (D) None of the above
- 35 Income of business commenced on 1st March, 2019 will be assessed in assessment year-
(A) 2018-19 (B) 2019-20 (C) 2020-21 (D) 2021-22
- 36 Which is the charging section of Income from house property?
(A) Section 15 (B) Section 22 (C) Section 24 (D) Section 10(10D)
- 37 Income from subletting of house property is taxable under the head _____
(A) Income from House Property (B) Income from Other Sources (C) Profits & Gains of Business or Profession (D) Capital Gains
- 38 Expected Rent is equal to _____
(A) Fair Rent (B) Municipal Valuation (C) Lower of Fair Rent or Municipal valuation (D) Higher of Fair Rent or Municipal valuation subject to the max. Of Standard Rent
- 39 Which of the following deduction are to be made from income house property?
(A) Statutory deduction (B) Interest on borrowed loan (C) Both (a) and (b) (D) Option (a) but not (b)
- 40 What are the conditions to be fulfilled for charging of income under the head capital gains?
(A) There must be a capital asset. (B) There must be a transfer of such capital asset (C) The transfer of such capital asset has been affected during the previous year (D) All of the above
- 41 Which of the following is not a requisite for charging income-tax on capital gains -?
(A) The transfer must have been effected in the relevant assessment year (B) There must be a gain arising on transfer of capital asset (C) Capital gains should not be exempt u/s 54 (D) Capital gains should not be exempt u/s 54EC
- 42 _____ is empowered to levy and collects income tax.
(A) State government (B) Central Government (C) RBI (D) Local self government tax department
- 43 CBDT is control by _____.
(A) central Government (B) State Government (C) Both (A) and (b) (D) None of this above
- 44 Income tax is a _____.
(A) Business (B) Profession tax (C) Direct tax (D) Indirect tax
- 45 Agriculture Income is _____.
(A) Taxable (B) Not taxable (C) Partly taxable (D) None of this above
- 46 How many heads of income are there to compute Gross total income?
(A) Six (B) Five (C) Four. (D) Three
- 47 House rent allowance is _____.
(A) Fully exempted (B) Partly taxable (C) Fully taxable. (D) Actual rent paid alone is taxable
- 48 What are the exemption limits in Hostel Expenditure Allowance?
(A) Rs.200pm (B) Rs.300pm (C) Rs.400pm (D) Rs.500pm
- 49 The number allotted by income tax authorities to assesses for identification and which should be quoted in all documents and correspondence is _____

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- (A) I.D. No. (B) Register No. (C) Permanent Account Number (PAN) (D) License No
- 50 Rent free accommodation is an example for _____
(A) Allowance (B) Compensation (C) Perquisite (D) Profit in lieu of salary
- 51 Entertainment allowance deduction u/s 16(ii) allowed to _____ Employee.
(A) Non-Government (B) Government (C) Both (D) None of the above
- 52 The rent fixed as per municipal valuation is called _____
(A) Municipal value (B) Fair rental Value (C) Standard rent (D) Actual rent
- 53 Gifts from clients are _____
(A) Professional income (B) Income from other sources (C) Non taxable item (D) None of these
- 54 What is the time limit for holding of a Financial Asset, to be called Short Term Capital Asset?
(A) Not more than 6 months. (B) Not more than 12 months (C) Not more than 24 months (D) Not more than 36 months
- 55 Shares held for less than 12 months are _____
(A) Short term capital asset (B) Long term capital asset (C) Exempted capital asset (D) Projected capital asset
- 56 House property held for less than 36 months is _____
(A) Long term capital asset. (B) Short term capital asset. (C) Exempted capital asset (D) Projected capital asset.
- 57 Short term capital gain on sale of unlisted shares is _____
(A) Taxable (B) Exempted. (C) Partially Exempted (D) Partially Taxable.
- 58 Dividend from an Indian company is _____
(A) Fully Taxable (B) Fully Exempted (C) Partly Taxable (D) None of the above
- 59 Income from other sources is a _____
(A) Residuary head of income (B) Major head of income (C) Income from a single source. (D) Constant and regular income
- 60 Which one of the following is not an income from other sources?
(A) Interest on fixed deposit in bank (B) Winnings from cross word puzzles. (C) Gift in excess of Rs.50,000 from an unrelated person Profit on sale of building (D) Profit on sale of building