



VPM's DR VN BRIMS, Thane

Programme: \_\_\_\_\_

Subject	Taxation		
Roll No.		Marks	60 marks

- \_\_\_\_\_ is always a person; but a person may or may not be an assessee.
  - Assessee
  - Person
  - Individual
  - None
- Full form of GST is \_\_\_\_\_.
  - Good and simple tax
  - Great Simple Tax
  - Goods and Stamps Tax
  - Goods & Service Tax
- A person may not have assessable income but may still be \_\_\_\_\_.
  - Assessee
  - Person
  - Individual
  - None
- If due date of filing return happens to be a holiday, the return can be filed
  - on the next working day immediately following the holiday
  - on the due date
  - on the day before due date
  - None
- In some cases, assessment year and previous year can be same financial year.
  - True
  - False
  - Both a & b
  - None
- A.O.P can consist of:
  - Only Individuals
  - Persons other than individuals
  - Both a & b
  - None of the above
- Body of Individuals can consist of:
  - Only Individuals
  - Persons other than individual
  - Both a & b
  - None of the above

8. Income Tax is levied on:
- Only Individuals
  - Only HUF
  - Only companies
  - All of the above
9. Total Income of an assessee has been computed as Rs.2,53,494.90. For rounding off ,the Total Income will be taken as:
- Rs.2,53,500
  - Rs.2,53,490
  - Rs.2,53,495
  - Rs.2,53,494
10. Income tax is rounded off to
- Nearest ten rupees
  - Nearest one rupee
  - No rounding off of tax is done
  - None
11. Residential status to be determined for
- Previous year
  - Assessment year
  - Accounting year
  - Current Year
12. Incomes which accrue or arise outside India but are received directly into India are taxable in case of
- Ordinarily Resident only
  - Both ordinarily resident and NOR
  - Non-resident only
  - All of the above
13. Total Income of a person is determined on the basis of his
- residential status in India
  - citizenship in India
  - none
  - both of the above
14. Once a person is a resident in a Previous Year he shall necessarily be deemed to be resident for subsequent Previous Year
- True
  - False
  - Both a & b
  - None
15. R Ltd. is an Indian company whose entire control and management of its affairs is situated outside India. R Ltd. shall then be :
- Resident in India
  - Non-resident in India
  - Not ordinarily resident in India
  - None of the above
16. R Ltd. is registered in U.K. The control and management of its affairs is situated in India .R Ltd shall be :
- Resident in India
  - Non-resident in India
  - Not ordinarily resident in India
  - None of the above



17. An Indian company is always \_\_\_\_\_ in India
- Resident
  - Non Resident
  - Not ordinarily resident in India
  - None of the above
18. Agricultural income is \_\_\_\_\_
- Fully exempt
  - Partially exempt
  - Fully taxable
  - None
19. Income earned by a Local authority from supply of commodities outside its own jurisdictional area. It is
- Exempt
  - Taxable
  - Partially Exempt
  - None
20. GST is levied at the time of
- Receipt of goods
  - Supply of goods
  - Manufacture of goods
  - None of the above
21. Perquisite received by the assessee during the course of carrying on his business or profession is taxable under the head \_\_\_\_\_
- Salary
  - Other sources
  - Profits & Gains from Business & Profession
  - None
22. Salary, bonus, commission or remuneration due to or received by a working partner from the firm is taxable under the head \_\_\_\_\_
- Income from salaries
  - Other sources
  - Profits & Gains from Business & Profession
  - None
23. The payment for Insurance premium under section 80D should be paid:
- In cash only
  - By cheque only
  - By Demand Draft only
  - By any mode other than cash
24. Deduction u/s 80D is allowed if the premium is paid to:
- Life insurance Corporation of India
  - Pru ICICI Life Insurance
  - HDFC Life Insurance
  - all of the above
25. Deduction under section 80D in respect of medical insurance premium is allowed to
- Individual only
  - HUF only
  - Individual or HUF
  - Any assessee

26. Deductions under section 80 are allowed from:
- Gross Total Income
  - Net Taxable Income
  - Tax payable
  - None
27. Deduction u/s 80 in respect of LIC, Contribution to provident fund, etc. is allowed to :
- Individuals only
  - Individual or HUF
  - An individual or Company who is resident in India
  - Any assessee
28. Loss under Income tax is allowed to be carried forward only when as assessee has furnished:
- Proof of such loss
  - Return of loss before the due date mentioned u/s 139(1)
  - Tax payment details
  - None of the above
29. Exemption under section 54 shall be available:
- To the extent of amount actually invested in new house property
  - To the extent of capital gain invested in new house property
  - Proportionate to the net consideration price invested in new house property
  - None
30. Interest on capital or loan received by a partner from a firm is:
- Taxable Under Head Salary
  - Taxable Under Head House Property
  - Taxable Under Head Business and profession
  - Taxable Under Head Income from other sources
31. Mr.Ram gifted his house property to his married minor daughter. Income from such house property shall be taxable in the hands of :
- Mr.Ram as deemed owner.
  - Income will be first computed as minor daughter's income & clubbed in the income of Mr.Ram.
  - Income of married minor daughter of Mr.Ram
  - None of the above
32. R gifted his house property to his wife in 2000. R has let out the house property @ Rs.5,000 p.m. Income from such house property will be taxable in the hands of:
- Mrs. R
  - R. Income will be computed first as Mrs. R's income and thereafter clubbed in the income of R
  - R. As he will be treated as deemed owner & liable to tax.
  - None of the above
33. Agricultural income is exempt provided:
- Only if the Land is situated in any rural part of India
  - Land is situated whether in India or outside India
  - If the Land is situated anywhere in India
  - None of the above
34. R, a chartered accountant is employed with R Ltd., as an internal auditor and requests the employer to call the remuneration as internal audit fee. R shall be chargeable to tax for such fee under the head.
- Income from salaries
  - Profit and gains from Business and Profession
  - Income from other sources
  - None of the above

35. Under the head Business or Profession, the method of accounting which an assessee can follow shall be :
- Mercantile system only
  - Cash system only
  - Mercantile or cash system
  - Hybrid system
36. Remuneration paid to working partner shall be allowed as deduction to a firm:
- In full
  - Proportionately
  - Subject to limits specified in Income Tax Act,1961
  - None of the above
37. Exemption under section 54 is available to :
- All assesses
  - Individuals only
  - Individual + HUF
  - None
38. Mr. A has two house properties. Both are self-occupied. The annual value of \_\_\_\_\_
- Both house shall be nil
  - One house shall be nil
  - No house shall be nil
  - None of the above
39. Mr.Sharma, a foreign national visited India in the last year for 180 days. Earlier to this, he never visited India. Mr.Sharma in this case shall be:
- Resident in India
  - Non-resident
  - Not ordinarily resident in India.
  - None
40. Which of the following will be allowed as expense under Profits and Gains from Business & Profession
- Salary paid to employees
  - Tuition fees of child
  - Life Insurance premium of self
  - None of the above
41. Due date for filing income tax return of salaried person
- 31<sup>st</sup> July
  - 30<sup>th</sup> September
  - 30<sup>th</sup> November
  - None of the above
42. Family pension received by family member is taxable under which of the following head of income
- Salaries
  - Profit and Gains from Business and Profession
  - Income from Other Sources
  - None of the above
43. Dividend on shares held as stock in trade in business is taxable under
- Profits and Gains from Business & Profession
  - Capital Gains
  - Salaries
  - Income from Other Sources

44. Plant & Machinery purchased on 30<sup>th</sup> September 2016 for INR 5,00,000. Calculate Depreciation u/s 32 for PY 16-17
- 75,000
  - 37,500
  - 50,000
  - 25,000
45. Flat sold on 30/09/2017 for INR 50,00,000 which was purchased on 05/10/2016 for INR 46,89,000 is taxable under
- Long Term Capital Gain/Loss
  - Short Term Capital Gain/Loss
  - Income from Other Sources
  - None of the above
46. Which of the following is not taxable in case of Resident but not Ordinarily Resident
- Income accrued in India and received in India
  - Income accrued in India and received outside India
  - Income accrued outside India and received in India
  - Income accrued outside India and received outside India
47. Which of the following is Income deemed to accrue or arise in India
- Dividend paid by an Indian company outside India
  - Rent of property situated in India paid outside India
  - Income through transfer of a capital asset situated in India
  - All of the above
48. Taxability Year as per Income tax is
- April to March
  - January to December
  - Both a & b
  - None of the above
49. Mr.A and Mr.B came together to jointly buy a property and share its rental. Rental will be taxed in the hands of
- Mr. A
  - Mr. B
  - Body of Individual (BOI) / Association of Persons (AOP)
  - Mr. A and Mr. B proportionately
50. Which of the following will not be considered as Income?
- Profits and Gains from Business
  - Speculation Profit received
  - Dividends received
  - Loan received
51. Which of the following is exempt under Income tax
- Agricultural Income
  - Share in the total of income of the firm
  - Dividend
  - All of the above
52. Which of the following is taxable under salaries
- Perquisites from employer
  - Loan from employer
  - Both a & b
  - None of the above





53. Profit in lieu of salary is taxable under
- Profits and Gains from business and profession
  - Salaries
  - Capital Gains
  - Income from Other Sources
54. Which of the following is not taxable under salary income?
- Advance salary paid
  - Gratuity
  - Employee contribution to PF
  - Employer contribution to PF
55. Which of the following is allowed as deduction from salary
- Entertainment allowance
  - Professional Tax
  - Both a & b
  - None of the above
56. Which of the following is not a capital asset
- Jewellery
  - Rural Agricultural land
  - Personal effects
  - All of the above
57. In which of the following cases depreciation can be claimed
- Machinery Purchased
  - Machinery taken on Rental
  - Hire Purchase of Machinery
  - a & c
58. Which of the following are considered as used for the purpose of business or profession.
- Active use
  - Passive use
  - Potential use
  - All of the above
59. Which of the following is true
- Claim of depreciation is mandatory and not optional
  - Different assets can be pooled together in one block of assets only if their classification as well as rate of depreciation are same
  - Self generated goodwill is not allowed for claiming depreciation
  - All of the above
60. An expenditure to be allowed as deduction under profits and gains from business and profession which of the following condition should be satisfied:
- It should be wholly and exclusively for the purpose of business
  - It should not be capital in nature
  - a & b
  - It should be paid