



## Dr.G.R.Damodaran College of Science

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CRISL rated 'A' (TN) for MBA and MIB Programmes

III BCOM ECOMMERCE [2015-2018]

Semester V

Core:INCOME TAX - 504C

Multiple Choice Questions.

1. The tax is \_\_\_\_\_

- A. National income
- B. domestic income
- C. per capita income
- D. both A and B

ANSWER: A

2. Direct Tax is getting from \_\_\_\_\_

- A. customer
- B. buyer
- C. employees
- D. persons

ANSWER: D

3. Section 10 Deals with

- A. Exempted income
- B. National income
- C. Group income
- D. Taxable income

ANSWER: A

4. Assessment year is called

- A. Tax paid
- B. income earned
- C. loss
- D. profit earned

ANSWER: A

5. Previous year started from

- A. April
- B. march
- C. january
- D. september

ANSWER: A

6. Who is Tax payer?

- A. Assessee

- B. businessman
- C. trust
- D. farmer

ANSWER: A

7. Who is Resident?

- A. followed any one of the basic condition
- B. not followed
- C. additional conditions followed
- D. none of this above

ANSWER: A

8. One of the basic conditions under residential Status \_\_\_\_\_ days

- A. 186
- B. 182
- C. 181
- D. 180

ANSWER: B

9. Who is an ordinarily Resident?

- A. both basic and additional
- B. only basic
- C. only additional
- D. not basic and additional conditions

ANSWER: A

10. Who is non resident?

- A. not followed by any one of the basic conditions
- B. only basic
- C. only additional and basic
- D. none of this above

ANSWER: A

11. Who is assessee in HUF?

- A. Father
- B. spouse
- C. deemed karta
- D. karta

ANSWER: D

12. Agriculture Income is \_\_\_\_\_

- A. Taxable
- B. not taxable
- C. partly taxable
- D. none of this above

ANSWER: B

13. House rent allowances is \_\_\_\_\_

- A. Fully taxable
- B. partly taxable
- C. fully exempted

D. none of this above

ANSWER: B

14. Income Tax Authorities are grouped into two main wings Administrative and.

- A. Judicial.
- B. Managerial.
- C. Executives.
- D. Clerical.

ANSWER: A

15. The highest Administrative Authority for Income Tax in India is.

- A. Finance Minister.
- B. CBDT.
- C. President of India.
- D. Director of Income Tax.

ANSWER: B

16. What are the exemption limit in Children Education Allowances

- A. Rs.100 pm
- B. Rs.200pm
- C. Rs.300pm
- D. Rs.250pm

ANSWER: A

17. What are the exemption limit in Hostel Expenditure Allowance?

- A. Rs.200pm
- B. Rs.300pm
- C. Rs.400pm
- D. Rs.500pm

ANSWER: B

18. Determining the tax liability is called.

- A. Assessment
- B. Scrutiny.
- C. Enquiry.
- D. Enquiry.

ANSWER: A

19. The number allotted by income tax authorities to assesseees for identification and which should be quoted in all documents and correspondence is.

- A. I.D. No.
- B. Register No.
- C. Permanent Account Number (PAN).
- D. Licence No.

ANSWER: C

20. Deduction of tax at source made for incomes which can be calculated in advance is called.

- A. T.D.S.
- B. PAS.
- C. FAS.
- D. MAS.

ANSWER: A

21. For tax deducted at source, employer issues to employee.

- A. Form 20.
- B. Form 12A
- C. Form 16.
- D. Form 31A.

ANSWER: C

22. Under the income- tax act, the incidence of taxation depends on

- A. The citizenship of the tax-payer.
- B. The age of the taxpayer
- C. The residential status of the tax-payer.
- D. The gender of the taxpayer

ANSWER: C

23. Unabsorbed depreciation can be carried forward for set off.

- A. for a period of four years only.
- B. for a period of eight years only.
- C. for an unlimited number of years.
- D. for a period of eighteen years only.

ANSWER: C

24. Dividends declared by Indian company are assessable under the head.

- A. Income from other source.
- B. Fully taxable under the head other source.
- C. Capital gain.
- D. Casual income.

ANSWER: B

25. Rent received from building held by an assessee as stock-in-trade is taxable under the head.

- A. profit or gains of business or profession.
- B. income from house property.
- C. income from other source.
- D. income from salaries

ANSWER: B

26. short term capital asset (except financial assets) is the one held for not more than.

- A. 48 months.
- B. 36 months.
- C. 60 months.
- D. 70 months.

ANSWER: B

27. Deduction in respect of expenditure on advertisements through articles intended for presentation will be allowed on the value of each article up to a limit of.

- A. fully allowed.
- B. Rs. 1,000 per item.
- C. Rs. 800 per item.
- D. Rs. 1,800 per item.

ANSWER: A

28. Receipt of amount on maturity of LIC Policy is.

- A. A revenue receipt.
- B. A capital receipt.
- C. A casual receipt.
- D. None of these.

ANSWER: B

29. Compensation for cancellation of a licence by the government resulting in cessation of business is.

- A. a casual receipt.
- B. a capital receipt.
- C. a revenue receipt.
- D. None of the above.

ANSWER: C

30. Compensation received for loss of trading asset is a.

- A. Capital receipt.
- B. Revenue receipt.
- C. a casual receipt.
- D. None of these.

ANSWER: A

31. Any payment made to discharge a revenue liability, if refunded later on, shall be.

- A. Revenue expenditure.
- B. Capital expenditure.
- C. Illegal expenditure.
- D. Personal expenditure.

ANSWER: D

32. Loss due to fire of hired machinery is.

- A. Capital loss.
- B. Revenue loss.
- C. Capital expenditure
- D. None of the above.

ANSWER: A

33. Embezzlement of cash by a cashier is.

- A. a revenue loss.
- B. a capital loss.
- C. a casual loss.
- D. None of these.

ANSWER: A

34. Dividends declared by Indian company are assessable under the head.

- A. Income from other source.
- B. Fully taxable under the head other source
- C. Capital gain.
- D. Casual income.

ANSWER: B

35. Rent received from building held by an assessee as stock-in-trade is taxable under the head.

- A. profit or gains of business or profession
- B. income from house property.
- C. income from other source.
- D. income from salaries.

ANSWER: B

36. A short term capital asset (except financial assets) is the one held for not more than.

- A. profit or gains of business or profession
- B. income from house property
- C. income from other source.
- D. income from salaries.

ANSWER: B

37. A short term capital asset (except financial assets) is the one held for not more than.

- A. 48 months.
- B. 36 months.
- C. 60 months.
- D. 70 months.

ANSWER: B

38. Deduction for bad debts is allowed to an assessee carrying on business

- A. In the year in which the debt is written off as bad
- B. In the year in which the debt first arose
- C. In the year in which provisions was made in respect of the bad debt
- D. In the year in which the debt becomes irrecoverable by operation of law

ANSWER: A

39. Embezzlement of cash in a money lending business shall be treated as.

- A. Business expenditure.
- B. Revenue loss incidental to business.
- C. Capital expenditure.
- D. Capital loss.

ANSWER: B

40. Distinction between capital and Revenue is made based on.

- A. Separate Act passed by government, and Tribunals.
- B. Definition of the terms given in Income Tax Act 1961.
- C. Judicial precedents from courts.
- D. None of the above.

ANSWER: C

41. Which of the following is a capital receipt?

- A. Commission received.
- B. Salary received
- C. Salary received
- D. Sale proceeds of Building.

ANSWER: C

42. Compensation for cancellation of a licence by the government resulting in cessation of business is.

- A. a casual receipt.
- B. a capital receipt.

- C. a revenue receipt.
- D. None of the above.

ANSWER: C

43. Compensation received for loss of trading asset is a.

- A. Capital receipt.
- B. Revenue receipt.
- C. Casual receipt.
- D. None of these.

ANSWER: B

44. Any payment made to discharge a revenue liability, if refunded later on, shall be.

- A. a revenue receipt.
- B. a capital receipt.
- C. a casual receipt.
- D. None of these.

ANSWER: A

45. Salary paid by an employer out of capital will be.

- A. a revenue receipt in the hands of employee
- B. a capital receipt in the hands of employee
- C. a casual receipt
- D. None of the above.

ANSWER: A

46. Which of the following is not a capital expense?

- A. Installation expenditure of plant of a company.
- B. Legal expenses for reduction of capital.
- C. Commission to employees to achieve sales Targets.
- D. Expenses of promoting a company.

ANSWER: C

47. Loss due to fire of hired machinery is.

- A. Capital loss.
- B. Revenue loss.
- C. Capital expenditure.
- D. None of the above.

ANSWER: B

48. Embezzlement of cash by a cashier is.

- A. revenue loss.
- B. capital loss.
- C. casual loss.
- D. None of these.

ANSWER: A

49. Residential status of an assessee is ascertained as per the provisions of.

- A. Sec. 6.
- B. Sec. 7.
- C. Sec. 9.
- D. Sec. 11.

ANSWER: A

50. Residential status of taxable entities is.

- A. Fixed in nature.
- B. Can change from year to year.
- C. Fixed once in 5 years.
- D. None of these.

ANSWER: B

51. As per the first basic condition to determine residential status, a person should have been in India during the previous year concerned for.

- A. 60 days or more
- B. 120 days or more.
- C. 182 days or more.
- D. 240 days or more.

ANSWER: C

52. As per the second basic condition to determine residential status, a person should have stayed in India totally for 365 days in the 4 years before the relevant previous year and he should have stayed in India in the relevant previous year at least

- A. 60 days.
- B. 90 days.
- C. 120 days.
- D. 182 days.

ANSWER: A

53. An individual who wants to be resident of India must satisfy at least.

- A. One of the Two basic conditions.
- B. Both the basic conditions.
- C. Both the additional conditions.
- D. None of these.

ANSWER: A

54. An individual who wants to be resident of India u/s 6a. a. must stay in India for at least.

- A. 730 days in 10 previous years.
- B. 182 days in the previous year.
- C. 365 days in the previous year.
- D. 150 days in the previous year.

ANSWER: B

55. An individual who is leaving India for an employment and wants to be a resident must stay in India for at least.

- A. 60 days in PY and 365 days in preceding the previous year.
- B. 182 days in PY 4 preceding years.
- C. 730 days or more during 7 years.
- D. None of these

ANSWER: B

56. A person who is of Indian origin visiting India during the previous year to be called resident must say in India for at least.

- A. 60 days in PY.



B. 6 days in PY and 365 days or more during 4 years preceding the PY.

C. 182 days in PY.

D. 730 days during 7 years preceding the PY.

ANSWER: C

57. An individual who wants to be an ordinarily resident must satisfy.

A. One of the basic conditions only.

B. One of the basic conditions and both the additional conditions.

C. Both the additional conditions only.

D. One of the additional conditions only.

ANSWER: B

58. Second additional condition for resident to be an ordinarily resident is that he must have stayed in India during the seven previous years proceeding the relevant previous year at least.

A. 182 days.

B. 365 days.

C. 60 days.

D. 730 days.

ANSWER: D

59. A person is Non resident if he fails to fulfill.

A. The additional conditions.

B. At least on of the basic conditions.

C. Both basic conditions.

D. None of these.

ANSWER: B

60. In case of residential status of HUF firm AOP and EOP if control and management are wholly outside India they are deemed as.

A. Resident.

B. Ordinarily Resident.

C. Nonresident .

D. None of these.

ANSWER: C

61. An Indian companys residential status is that it is always.

A. Resident.

B. Nonresident.

C. Ordinarily resident.

D. None of these.

ANSWER: A

62. If control and management of its affairs was fully in India a foreign company becomes.

A. Non resident.

B. Ordinarily resident in India.

C. Resident in India.

D. None of these.

ANSWER: C

63. Resident but not ordinarily resident pays.

A. No Income tax at all.

- B. More tax than a resident.
- C. Less tax than a resident.
- D. Less tax than a Non resident.

ANSWER: C

64. Income received in India is taxable in the hands of.

- A. Resident only.
- B. Resident and ordinarily resident only.
- C. Non-resident only.
- D. All assessees.

ANSWER: D

65. Income accrued in India is taxable in the hands of.

- A. Non-resident only.
- B. Resident and not ordinarily resident only.
- C. All assesses.
- D. Resident and ordinarily resident only.

ANSWER: C

66. Income accrued and received outside India is taxable in the hands of.

- A. Non-resident.
- B. Resident and ordinarily resident.
- C. Resident and not ordinarily.
- D. None of these residents.

ANSWER: B

67. Past untaxed income brought to India is taxable in the hands of.

- A. Resident and not ordinarily resident.
- B. Resident and ordinarily resident.
- C. Non-resident.
- D. None of these.

ANSWER: D

68. Income accrued and received outside India is taxable in the hands of.

- A. Non-resident.
- B. Resident and ordinarily resident
- C. Resident and not ordinarily.
- D. None of these residents

ANSWER: B

69. Past untaxed income brought to India is taxable in the hands of.

- A. Resident and not ordinarily resident
- B. Resident and ordinarily resident
- C. Non-resident.
- D. None of these.

ANSWER: D

70. Incomes on which Income tax is not charged are called

- A. Exceptional incomes
- B. Privileged incomes
- C. Exempted incomes.

D. exempted

ANSWER: D

71. Exempted incomes are defined under section

- A. 15 of income tax Act.
- B. 18 of income tax Act
- C. 10 of income tax Act.
- D. 20 of income tax Act.

ANSWER: C

72. Exempted incomes do not form part of total income of

- A. Individual assessee only
- B. HUF only.
- C. Firm and company assessee only
- D. all assessee

ANSWER: D

73. Scholarship granted is.

- A. Fully exempted.
- B. Fully taxable.
- C. Partly exempted.
- D. None of these.

ANSWER: A

74. Any payments made under and awards instituted by central or state Governments are.

- A. Fully exempted
- B. Fully taxable
- C. Partly exempted.
- D. None of these.

ANSWER: A

75. Allowances of MP/M.L.A / or M.L.C are.

- A. Fully exempted.
- B. Fully taxable.
- C. Partly exempted.
- D. None of these.

ANSWER: A

76. Sum received by a co-parcener from Hindu undivided family is.

- A. Exempted in the hands of co-parcener
- B. Exempted in the hands of HUF.
- C. Taxable in the hands of co-parcener
- D. None of these.

ANSWER: A

77. Share of income from firm is.

- A. Taxable in the hands of partner
- B. Exempted in the hands of partner.
- C. Exempted in the hands of firm.
- D. None of these.

ANSWER: B

78. Casual income is.

- A. Fully taxable.
- B. Partly taxable.
- C. Fully exempted.
- D. None of these.

ANSWER: A

79. In case of Tax free salary.

- A. Tax is to be paid by employer
- B. No tax is payable on such salary
- C. Tax is to be paid by the employee.
- D. Govt, itself pays the tax at a future date.

ANSWER: A

80. Salary received by a member of parliament is.

- A. Taxable as salary income
- B. Exempt from tax sources.
- C. Taxable as income from other.
- D. None of these.

ANSWER: C

81. Which of the following is an exempted salary?

- A. Payment by employer in kind.
- B. Salary from former employer.
- C. Leave salary.
- D. Salary received by UNO employees.

ANSWER: D

82. Allowances received by a government employee posted abroad are.

- A. Fully exempted.
- B. Partly exempted.
- C. Fully taxable.
- D. Taxable by the country where posted.

ANSWER: A

83. Dearness allowance is taxable in the hands of.

- A. Govt employees
- B. Non Govt employees
- C. All employees.
- D. None of these.

ANSWER: C

84. House rent allowance is.

- A. Fully exempted.
- B. Partly taxable.
- C. Fully taxable.
- D. Actual rent paid alone is taxable.

ANSWER: B

85. Exempted limit of HRA in metropolitan cities is.

- A. 50% of salary.
- B. 40% of salary.
- C. 15% of salary.
- D. none of these.

ANSWER: A

86. Exempted limit of HRA in non metropolitan cities is.

- A. 40% of salary.
- B. 50% of salary.
- C. 10% of salary.
- D. 7.5% of salary.

ANSWER: A

87. Education allowance is exempted upto a maximum of.

- A. One child.
- B. Two children.
- C. Three children.
- D. Four children.

ANSWER: B

88. Children education allowance is exempted upto.

- A. Rs. 200 p.m. per child.
- B. Rs. 100 p.m. per child.
- C. Rs. 300 p.m. per child.
- D. Rs. 400 p.m. per child.

ANSWER: B

89. Hostel expenditure allowance is exempted upto.

- A. Rs. 300 per month per child.
- B. Rs. 200 per month per child.
- C. Rs. 150 per month per child.
- D. Rs. 250 per month per child.

ANSWER: A

90. Value of RFA in case of Govt, employee shall be taxable upto

- A. 15% of employees salary.
- B. 7.5% of employees salary.
- C. License fee fixed by Govt.
- D. 10% of employees salary.

ANSWER: C

91. Value of RFA of a house owned by employer in case of non Govt, employee's with above 25 lakhs population is.

- A. 10% of employees salary
- B. 15% of employees salary.
- C. 7.5% of employee salary
- D. 20% of employees salary.

ANSWER: B

92. Reimbursement of medical bill for treatment from a Govt, hospital is exempted upto.

- A. Full amount.

- B. Rs. 15,000.
- C. One months salary of employee.
- D. None of these.

ANSWER: D

93. Interest on RPF balance is exempted upto.

- A. 9.75%.
- B. 9.5%.
- C. 10%.
- D. 12%.

ANSWER: B

94. Employers contribution to RPF is exempted upto.

- A. 10% of salary.
- B. 13% of salary.
- C. 12% of salary.
- D. 11% of salary.

ANSWER: C

95. Death cum Retirement Gratuity paid to a government employee

- A. Fully taxable.
- B. Partially taxable.
- C. Fully exempted.
- D. Government pays the tax.

ANSWER: A

96. Service in terms of months in excess of 6 months is rounded off to one year in case of.

- A. Govt, employee.
- B. Non Govt employees covered under Gratuity Act.
- C. Non Govt, employees not covered under Gratuity Act
- D. None of these.

ANSWER: B

97. Commuted value of pension is fully exempted in case of

- A. an employee of private sector.
- B. an employee of a public sector undertaking.
- C. a Govt, employee.
- D. none of these.

ANSWER: C

98. Leave encashment received during service by a govt or non govt employee is.

- A. Fully exempted.
- B. Partially exempted.
- C. Fully taxable.
- D. employer has to pay tax on it.

ANSWER: C

99. Fringe benefits are taxable in the hands of.

- A. All the employees.
- B. If employer is subject to FBT.
- C. If employer is not subject to FBT.

D. None of these.

ANSWER: D

100. Profits earned from an illegal business are

- A. Taxable.
- B. Tax free.
- C. Ignored by Tax Authorities.
- D. treated as other income.

ANSWER: A

101. Unabsorbed capital expenditure on scientific research can be carried forward for.

- A. 15 years.
- B. 14 years.
- C. 10 years
- D. 8 years.

ANSWER: D

102. Pre commencement period expenses upto 3 years spent for research are

- A. Ignored.
- B. Allowed as expenses in the year of commencement of business.
- C. Treated as capital expenses.
- D. None of these.

ANSWER: A

103. Technical know-how acquired after 1.4.98 is eligible for depreciation at.

- A. 10% P.A.
- B. 25% P.A.
- C. 20% P.A.
- D. 40% P.A.

ANSWER: B

104. Preliminary expenses shall be allowed as deduction in.

- A. 5 Instalments.
- B. 10 Instalments.
- C. 15 Instalments
- D. 12 Instalments.

ANSWER: A

105. Bad debts allowed earlier and recovered latter on is.

- A. Business income.
- B. Non business income.
- C. Exempted income.
- D. Income from other sources.

ANSWER: A

106. Under valuation of opening stock is.

- A. deducted from net profit.
- B. added to net profit.
- C. credited to P & L A/c
- D. none of these.

ANSWER: A

107. Over valuation of closing stock is.

- A. deducted from net profit.
- B. added to net profit.
- C. adjusted in P&L A/c.
- D. none of these.

ANSWER: A

108. Professional expenses are allowed on.

- A. accrual basis.
- B. payment basis.
- C. accrual or payment basis
- D. none of the above.

ANSWER: D

109. Gifts from clients are.

- A. Professional income.
- B. Income from other sources.
- C. Non taxable item.
- D. None of these.

ANSWER: A

110. Intangible assets are.

- A. Not eligible for depreciation
- B. Eligible for depreciation
- C. Can be fully written-off in the year of acquisition
- D. None of these.

ANSWER: B

111. Interest on loan borrowed for acquisition of an asset till the date of installation is.

- A. Revenue expenditure.
- B. Capital expenditure.
- C. Non business expenditure.
- D. None of these.

ANSWER: B

112. Repairs incurred before installation of an assets is.

- A. Capital expenditure.
- B. Revenue expenditure.
- C. Non business expenditure.
- D. None of these.

ANSWER: A

113. Into how many classes depreciable assets are divided for the purpose of depreciation?

- A. 2
- B. 3
- C. 5
- D. 4

ANSWER: D

114. Under each class of depreciable assets, assets with same rate of depreciation are formed into.



- A. Blocks.
- B. Categories.
- C. Aggregates.
- D. None of these.

ANSWER: A

115. Rate of depreciation on residential building is.

- A. 5%.
- B. 10%
- C. 15%
- D. 20%.

ANSWER: A

116. Rate of depreciation on non residential building is.

- A. 10%.
- B. 15%.
- C. 20%.
- D. 25%

ANSWER: A

117. Rate of depreciation on furniture is.

- A. 5%.
- B. 15%.
- C. 10%.
- D. 20%.

ANSWER: C

118. Apart from normal depreciation, additional depreciation is permitted for certain assets at the rate of.

- A. 10%
- B. 20%
- C. 40
- D. 50

ANSWER: B

119. Additional depreciation is allowed at half the rate, if the asset is used in the initial year for.

- A. 195 days.
- B. 199 days.
- C. 360 days.
- D. less than 180 days.

ANSWER: D

120. Net annual value is calculated from in GAV at

- A. 23%
- B. 24%
- C. 22%
- D. 30%

ANSWER: D

121. Income from sale of house hold furniture is.

- A. Taxable capital gain.
- B. Exempted capital gain.

- C. Short term capital gain.
- D. Long term capital gain.

ANSWER: B

122. Income from sale of rural Agricultural land is.

- A. Taxable capital gain.
- B. Exempted capital gain.
- C. Taxable income.
- D. None of these.

ANSWER: B

123. Which of the following is not an exempted asset for the purpose of capital gains tax?

- A. Shares of domestic companies.
- B. Assets held for personal use.
- C. Gold deposit bonds under 1999.
- D. Special Bearer Bonds issued by central scheme govt, in 1991.

ANSWER: A

124. How many months a Non Financial Capital Asset must be held to be called a short Term Capital Asset?

- A. Not more than 36 months.
- B. Not more than 24 months
- C. Not more than 12 months.
- D. Not more than 6 months.

ANSWER: A

125. 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.

ANSWER: B

126. To be a long term capital asset, a non financial asset should be held more than.

- A. 12 months.
- B. 36 months.
- C. 24 months.
- D. 60 months.

ANSWER: B

127. 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.

ANSWER: A

128. 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.

ANSWER: B

129. Shares held for 15 months are.

A. Long term capital asset.

B. Short term capital asset.

C. Exempted capital asset.

D. projected capital asset.

ANSWER: A

130. Land held for 56 months is.

A. Short term capital asset.

B. Long term capital asset.

C. Exempted capital asset.

D. projected capital asset.

ANSWER: B

131. In case of movable property, title to property passes at the time when.

A. Consideration is paid.

B. Contract is entered for sale.

C. Sale is registered.

D. Property is delivered pursuant to a contract to sell.

ANSWER: A

132. What is the date on which Fair Market Value of capital assets acquired is determined?

A. 1.4.2001.

B. 1.4.1971.

C. 1.4.1981.

D. 1.4.1971.

ANSWER: C

133. FMV on 1.4.81 is applicable to assets.

A. acquired prior to 1.4.81.

B. transferred prior to 1.4.81.

C. acquired after 1.4.81.

D. none of the above.

ANSWER: A

134. What is the date from which cost of improvements to capita assets is taken into account while computing capital gains?

A. 1.4.2001.

B. 1.4.1971.

C. 1.4.1991.

D. 1.4.1981.

ANSWER: D

135. Cost inflation rules for the purpose of long term capital gain has been notified by central government every year starting from the financial year.

A. 1991-92.

B. 1985-86.

C. 1981-82.

D. 1975-76.

ANSWER: C

136. Short term capital gain on sale of listed shares are.

- A. Exempted.
- B. Partially Taxable.
- C. Partially Exempted.
- D. Taxable.

ANSWER: D

137. Short term capital gain on sale of unlisted shares are.

- A. Taxable.
- B. Exempted.
- C. Partially Exempted.
- D. Partially Taxable.

ANSWER: A

138. Long term capital gain on sale of listed shares are.

- A. Exempted.
- B. Taxable.
- C. Partially Exempted.
- D. Partially Taxable.

ANSWER: A

139. Section 10(13A) deals with

- A. DA
- B. RFA
- C. HRA
- D. Perks

ANSWER: C

140. Exemption u/s 54 is allowed.

- A. on sale of land.
- B. on sale of shares.
- C. on sale of residential house.
- D. sale of personal effects.

ANSWER: C

141. Exemption u/s 54 is allowed for investment in.

- A. another residential house.
- B. land.
- C. shares.
- D. jewellery.

ANSWER: A

142. Capital gains on compulsory acquisition of lands and buildings are exempted from tax under.

- A. Section 54D.
- B. Section 72E.
- C. Section 81B.
- D. Section 93A.

ANSWER: A

143. Exemption u/s 54EC is allowed for investment in.

- A. Bonds of NHAI and REC.
- B. Shares of companies.
- C. Residential house.
- D. Bonds issued by Govt.

ANSWER: A

144. 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.
- D. profit on sale of building.

ANSWER: D

145. Which of the following income from other sources is not taxable?

- A. Dividend from co-operative society.
- B. Dividend from foreign company.
- C. Dividend from domestic company.
- D. Winnings from lottery.

ANSWER: C

146. Dividends from co-operative society are.

- A. Exempted.
- B. Partially Taxable.
- C. Partially Exempted.
- D. Taxable.

ANSWER: D

147. Grossing up of interest on securities is required when.

- A. Interest is received after T.D.S.
- B. They are central govt. securities.
- C. The interest on bank deposit is less than Rs. 10,000.
- D. None of these.

ANSWER: A

148. Tax is reduced from casual incomes at.

- A. 30%.
- B. 20% + surcharge and cesses.
- C. 10% + surcharge and cesses.
- D. none of these.

ANSWER: A

149. CCA Stands for

- A. City compensatory allowances
- B. City collection allowances
- C. Computer compensatory allowances
- D. All the above

ANSWER: A

150. Self occupied house property means

- A. House occupied by assessee
- B. Rented house
- C. House owned by others
- D. None

ANSWER: A

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