MULTIPLE CHOICE QUESTIONS FOR MCOM - (MC3C12)

INCOME TAX LAW AND PRACTICE

1. *The term salary includes:*

    a. wages   b. Gratuity
    c. Advance of salary   d. all of the above

2. *Profits or gains arising from the transfer of a capital asset is called........?*

    a. capital gains   b. capital asset
    c. capital loss   d. none of these

3. *Income from other sources includes:*

    a. lottery income   b. cross word puzzle
    c. races   d. all of these

4. *Income deemed to accrue or arise in India is taxable in case of;*

    a. Resident only   b. both resident and not ordinarily resident
    c. nonresident   d. all of the above

5. *The cost of inflation index number of the previous year 2008-2009 is...................*

    a. 480   b.519
    c. 551   d. 582

6. *Deduction U/S 80 c is allowed from*

    a. GTI   b. total income
    c. tax on total income   d. balance sheet

7. *Salary due but not yet received is known as ....?*

    a. arrears of salary   b. advance of salary
    c. commuted salary   d. none of these

8. *Perquisites are...........*

    a. payment   b. fees
    c. profit   d. all of the above

9. *............. is a provident fund which is not recognized by commissioner of income tax*

    a. statutory PF   b. public PF
    c. recognized PF   d. un recognized PF

10. *Deduction under 80ccc is allowed to the extend of*

    a. 2 lacs   b. 1 lack
    c. 4 lack   d. 5 lack

11. Agricultural income is :

      a. fully exempt   b. partially exempt

      c. fully taxable   d. partially taxable

12. Residential status to be determined for

      a. previous year   b. assessment year

      c. accounting year   d. None

13. Education cess is leviable in case of:

      a. An individual and HUF   b. A company assessee only

      c. All assessees   d. None of these

14. Tax Audit is compulsory in case of a person is carrying on business whose gross turnover / sales / receipt, as the case may be, exceeds;

      a. 10 lakh   b. 40 lakh,

      c. 1 crore   d. 20 lakh

15. where the entire block of the depreciate asset is transferred after 36 months, there will be;

      a. short-term capital gain   b. long term capital gain

      c. short-term capital gain or loss   d. long term capital gain or loss

Answer key

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
d	a	d	d	d	a	a	d	d	b	a	a	c	b	c