

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