

## TAX PLANNING AND MANAGEMENT

**M.COM IV SEM ELECTIVE: MC4E(F)04**

### MULTIPLE CHOICE QUESTIONS

1. The objectives of tax planning is to minimise .....?
  - a) tax liability
  - b) finance liability
  - c) tax return
  - d) none of these
2. Tax management deals with :
  - a) filing of return in time
  - b) getting the accounts audited
  - c) deducting tax at source
  - d) all of the above
3. Income tax act came into force on .....
  - a) 01.04.1961
  - b) 01.04.1962
  - c) 01.04.1956
  - d) 01.04.1965
4. Residential status is determined for .....
  - a) previous year
  - b) assessment year
  - c) accounting year
  - d) financial year
5. How many heads of income are there to compute gross total income?
  - a) six
  - b) five
  - c) four
  - d) three
6. Deduction of tax at source made for incomes which can be calculated in advance is called .....?
  - a) TDS
  - b) PAS
  - c) FAS
  - d) MAS
7. Donation is deductible under section
  - a) 80C
  - b) 80D
  - c) 80E
  - d) 80G
8. Education cess on tax payable is at..
  - a) 2%
  - b) 1%
  - c) 3%
  - d) 5%
9. The income tax rate on long term capital gains for an individual is .....
  - a) 10%
  - b) 15%
  - c) 20%
  - d) 25%

10. When a receipt is determined as capital receipt or revenue receipt .  
a) at the time of it is received                      b) while preparing final account  
c) when the received amount is used              d) none of these
11. STT stands for  
a) securities transaction tax                      b) secure transaction tax  
c) securities transmission tax                      d) none of these
12. Who is tax payer?  
a) business man                                      b) trust  
c) assessee    d) govt employee
13. Receipt of amount on maturity of LIC policy is .....  
a) a revenue receipt                                      b) capital receipt  
c) a casual receipt                                      d) fixed receipt
14. Income by way of rent of agricultural land is .....  
a) business income                                      b) income from other sources  
c) agricultural income                                      d) casual income
15. The highest administrative authority for income tax in India .....?  
a) finance minister                                      b) president of India  
c) CBDT    d) director of IT
16. Tonnage tax is based on .....  
a) net tonnage    b) gross tonnage  
c) actual tonnage    d) weighted average

**ANSWER KEY**

1.a 2.d 3.b 4.a 5.b 6.a 7.d 8.a 9.c 10.a 11.a 12.c 13.b 14.c 15.c 16.a

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