



# PAPER - 7

## DIRECT TAXATION



**DIRECTORATE OF STUDIES**  
**THE INSTITUTE OF**  
**COST ACCOUNTANTS OF INDIA**

Statutory Body under an Act of Parliament

Behind every successful business decision, there is always a **CMA**

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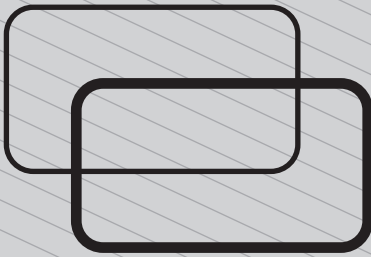
### VISION STATEMENT

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Bit Questions

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**(I) Choose the correct answer from the given alternatives:**

- (1) The number of identities included in the definition of persons is  
 (a) five  
 (b) six  
 (c) seven  
 (d) eight
- (2) A trust shall not be considered as charitable trust for according the benefits of section II, when the commercial activities in the previous year exceed -  
 (a) 10 lakhs  
 (b) 25 lakhs  
 (c) 15 lakhs  
 (d) 30 lakhs
- (3) Deduction available under section 24(a) is \_\_\_\_\_ of NAV.  
 (a) 30%  
 (b) 50%  
 (c) 15%  
 (d) 70%
- (4) Expenditure incurred by a businessman for ready to use software is entitled to benefit of  
 (a) 15% as depreciation  
 (b) 30% as depreciation  
 (c) 60% as depreciation  
 (d) 100% as revenue expenditure
- (5) The basic exemption limit for a resident super senior citizen above the age of 80 is  
 (a) Rs. 2,00,000  
 (b) Rs. 2,50,000  
 (c) Rs. 5,00,000  
 (d) None of the above
- (6) The provisions relating to interest on delay in payment of refund are given in section  
 (a) 234A  
 (b) 234B  
 (c) 244A  
 (d) 244B
- (7) Which of the following can be corrected while processing the return of income under section 143(1)?  
 (a) Any arithmetical error in the return  
 (b) Any mistake in the return of income  
 (c) Any error of principle in the return of income  
 (d) Any claim by the taxpayer which is against law
- (8) Notice under section 156 is given for  
 (a) failure to submit return  
 (b) tax demand  
 (c) deferment of tax  
 (d) None of the above
- (9) As per section 271H, where a person fails to file the statement of tax deducted/collected at source i.e. TDS/TCS return on or before the due dates prescribed in this regard, then he shall be liable to pay penalty under section 271H. Maximum penalty that can be levied is \_\_\_\_\_.  
 (a) 1,00,000, but not exceeding the amount of TDS/TCS.  
 (b) 2,00,000

- (c) 3,00,000
- (d) 4,00,000

(10) The threshold exemption limit for Equalization levy is?

- (a) Rs. 5 lakh
- (b) Rs. 3 lakh
- (c) Rs. 2 lakh
- (d) Rs. 1 lakh

(11) Rate of surcharge applicable to a foreign company having total income of Rs. 8 crore is :

- (a) Nil
- (b) 2%
- (c) 5%
- (d) 10%

(12) Income Computation and Disclosure Standards are to be applied in computation of income under the head:

- (a) Capital Gain only
- (b) Profits and Gains of Business or Profession only
- (c) Income from other sources only
- (d) Both "Profits and Gains from Business or Profession" and "Income from Other Sources"

(13) New plant and machinery acquired and put to use by an assessee engaged in transmission of power is eligible for additional depreciation at \_\_\_\_ of actual cost.

- (a) 10%
- (b) 12.5%
- (c) 15%
- (d) 20%

(14) Maximum amount of exemption available in respect of amount received under voluntary retirement scheme is:

- (a) Rs. 2,00,000
- (b) Rs. 3,00,000
- (c) Rs. 4,00,000
- (d) Rs. 5,00,000

(15) An individual can claim deduction from his gross total income in respect of expenditure for the medical treatment of a dependent, being a person with disability upto maximum limit of

- (a) Rs. 50,000
- (b) Rs. 1,00,000
- (c) Rs. 75,000
- (d) Rs. 1,25,000

(16) Dividend from a company which is engaged in agricultural activities is:

- (a) Agriculture income
- (b) Business income
- (c) Partly agricultural income
- (d) None of above

(17) Short term capital gain not covered u/s 111A is:

- (a) Exempt
- (b) Taxable @ 15%
- (c) Taxable at normal rate applicable to the assessee
- (d) None of above

- (18) Loss from house property can be carried forward and set-off in subsequent eight assessment years:
- (a) If return of loss is filed within due date
  - (b) Even if return of loss is filed after due date
  - (c) Even if return of loss is not filed
  - (d) None of above
- (19) The basic exemption limit in case of a non-resident firm is:
- (a) Rs. 2,50,000
  - (b) Rs. 3,00,000
  - (c) Rs. 5,00,000
  - (d) None of these
- (20) TDS u/s 194 in respect of dividend, if payee furnish PAN is:
- (a) 10%
  - (b) 20%
  - (c) 30%
  - (d) None of above
- (21) Tax payable by a resident individual, if he has long term capital gain of Rs. 2,60,000 but has no other income is:
- (a) Rs. 1000 plus cess
  - (b) Rs. 26,000 plus cess
  - (c) Rs. 52,000 plus cess
  - (d) None of above
- (22) A winning from lotteries is Rs. 50,000 and expenses incurred to earn such income is Rs. 5,000. Its taxable income is
- (a) Rs. 50,000
  - (b) Rs. 45,000
  - (c) Nil
  - (d) None of above
- (23) Net salary after deducting tax at source Rs. 10,000 is Rs. 2,50,000 .The amount of taxable salary is:
- (a) Rs. 2,40,000
  - (b) Rs. 2,50,000
  - (c) Rs. 2,60,000
  - (d) None of the above
- (24) Amount of deduction in respect of donation to approved scientific research institution u/s 80GGA is:
- (a) 100% of such donation
  - (b) 200% of such donation
  - (c) 175% of such donation
  - (d) None of above
- (25) Agricultural land located in rural area is:
- (a) Capital asset
  - (b) Not a capital asset
  - (c) Exempted capital asset
  - (d) None of above
- (26) TDS U/s 193 in respect of interest on securities if payee does not furnish PAN is:
- (a) Rate in force
  - (b) Rate as per Act
  - (c) Nil
  - (d) None of above

- (27) Income of public charitable trust registered u/s 12A is:
- (a) Exempt
  - (b) Taxable at MMR
  - (c) Taxable at slab rates
  - (d) None of above
- (28) The number of Income computation and Disclose Standards issued so far are:
- (a) 32
  - (b) 24
  - (c) 10
  - (d) None of above
- (29) Expenditure in respect of winnings from card games is:
- (a) Deductible
  - (b) Not deductible
  - (c) Deductible if conditions are satisfied
  - (d) None of above
- (30) Tax payable by a non-resident individual, if he has long term capital gain of Rs. 2,60,000 but has no other income is:
- (a) Rs. 1000 plus cess
  - (b) Rs. 26,000 plus cess
  - (c) Rs. 52,000 plus cess
  - (d) None of above
- (31) Stake money on owning and maintaining race horses is Rs. 70,000 and expenses incurred is Rs. 20,000. Its taxable income is:
- (a) Rs. 70,000
  - (b) Rs. 50,000
  - (c) Nil
  - (d) None of above
- (32) Rent after deducting municipal taxes is Rs. 2,00,000, the amount of taxable income from house property is:
- (a) Rs. 2,00,000
  - (b) Rs. 1,40,000
  - (c) Rs. 2,60,000
  - (d) None of above
- (33) Contribution to approved research (not scientific) institution in case of a business man is:
- (a) 100% of such amount
  - (b) 125% of such amount
  - (c) 175% of such amount
  - (d) None of above
- (34) Rebate u/s 87A is allowed to an Individual who is resident in India and whose total income does not exceed \_\_\_\_\_.
- (a) Rs. 2,50,000
  - (b) Rs. 3,00,000
  - (c) Rs. 5,00,000
  - (d) None of the above
- (35) The payment under Bhopal Gas Leak Disaster shall be \_\_\_\_\_
- (a) Fully taxable
  - (b) Partially taxable
  - (c) Exempt
  - (d) None of the above

- (36) Compensatory field area allowance is exempt upto \_\_\_\_\_
- (a) 1,300
  - (b) 1,800
  - (c) 2,500
  - (d) 2,600
- (37) The time limit for acquisition or construction of self-occupied house property for claiming deduction of interest is:
- (a) 3 years
  - (b) 5 years
  - (c) 8 years
  - (d) 10 years
- (38) Tax to be collected at source in case of motor vehicle value exceeding \_\_\_\_\_.
- (a) Rs. 2,50,000
  - (b) Rs. 5,00,000
  - (c) Rs. 7,50,000
  - (d) Rs. 10,00,000
- (39) Interest rate on refund as per section 244A (1A)
- (a) 3%
  - (b) 6%
  - (c) 9%
  - (d) None of the above
- (40) Quantum of deduction u/s 80EE is \_\_\_\_\_.
- (a) 5,000
  - (b) 50,000
  - (c) 75,000
  - (d) None of the above
- (41) Island duty allowance is exempt upto \_\_\_\_\_
- (a) 1,300
  - (b) 1,800
  - (c) 2,500
  - (d) 3,250
- (42) Threshold limit for person having income from business u/s 44AD is \_\_\_\_\_.
- (a) 50 Lakh
  - (b) 80 Lakh
  - (c) 1 crore
  - (d) 2 crore
- (43) Tax to be collected at source in case of commission on sale of lottery tickets.
- (a) 1%
  - (b) 2%
  - (c) 5%
  - (d) 10%
- (44) When a person having agricultural lands sells the seeds taken from such lands in a nursery, which is part of the said lands, the income from such sale is treated as
- (a) Business income
  - (b) Agricultural income
  - (c) Income from other sources
  - (d) None of the above

- (45) An employer has paid medical insurance premium of Rs. 12,000 in respect of a salaried employee drawing annual salary of Rs. 6 lakhs. The amount of perquisite charged in the hands of employee is
- Nil
  - Rs. 6,000
  - Rs. 12,000
  - None of the above
- (46) The rate of depreciation for a block of assets consisting of buildings used as factory is
- 2.5%
  - 5%
  - 10%
  - None of the above
- (47) In case of a Hindu Undivided Family, where the return of income cannot be signed by the Karta, the same can be signed by
- the next senior-most male member.
  - Karta's wife.
  - any male member of the family.
  - any adult member of the family.
- (48) In case of an individual or HUF, to determine whether certain TDS provisions are attracted, what has to be seen is whether the person is subject to tax audit under section 44AB in
- the immediately preceding financial year.
  - current year.
  - last two continuous financial years.
  - None of the above
- (49) A senior citizen having total income consisting of pension and let out property income aggregating to Rs. 6 lakhs must have paid advance tax during the financial year 2015-16 of
- NIL
  - 90% of Rs. 28,840
  - 90% of 44,290
  - 90% of Rs. 39,140
- (50) Mr. Ramji is employed in ABC Ltd. who maintained a hospital for treatment of employees. During the financial year 2015-16, the value of medical benefit availed by Ramji's family from the hospital was Rs. 2,10,000. The amount of medical perquisite chargeable to income tax would be
- Rs. 2,10,000
  - Rs. 1,05,000
  - Rs. 21,000
  - Nil
- (51) Mr. Laxman occupied his apartment till December 2015 and thereafter occupied the quarters provided by the employer. The apartment of Mr. Laxman was let out at Rs. 20,000 per month from 1st January, 2016. The annual value of the property would be
- Rs. 60,000
  - Rs. 2,40,000
  - Rs. 1,80,000
  - NIL
- (52) When a company paid Rs. 5 lakhs to Indian Institute of Technology to carry on research in a field unrelated to the activity of the company, the amount eligible for deduction paid by way of donation would be
- Rs. 5,00,000 (100%)
  - Rs. 6,25,000 (125%)

- (c) Rs. 10,50,000 (175%)
- (d) Rs. 7,50,000 (150%)

(53) Mr. A has loss from regular business of Rs. 8 lakhs and income from speculation business of Rs. 11 lakhs. His total income chargeable to tax would be

- (a) Rs. 3,00,000
- (b) Rs. 11,00,000
- (c) Rs. 7,00,000
- (d) Rs. 2,50,000

(54) AOP should consist of:

- (a) Individuals only
- (b) Persons other than individuals only
- (c) Individuals and HUF only
- (d) None of the above

(55) An Indian Company, where place of effective management is outside India, shall be:

- (a) Resident in India
- (b) Non-resident in India
- (c) Not ordinarily resident in India
- (d) None of the above

(56) Casual income received by the assessee

- (a) Exempt upto 50,000
- (b) Fully exempt
- (c) Fully taxable
- (d) None of the above

(57) Free meal worth 120 per meal for 200 days provided by the employer during working hours in a remote area is:

- (a) Exempt upto 50 per meal
- (b) Taxable upto 50 per meal
- (c) Fully exempt
- (d) Fully taxable

(58) Unrealised rent of a property shall be excluded from:

- (a) Gross Annual Value
- (b) Net Annual Value
- (c) Income from property
- (d) All the three

(59) Deduction under Section 32AD is allowed to:

- (a) Corporate assessee in notified area.
- (b) Non-corporate assessee in notified area.
- (c) Corporate and non-corporate assessee in notified area.
- (d) None of the above.

(60) For the purpose of computation of capital gain, securities transaction tax is:

- (a) Allowed as deduction
- (b) Form part of cost
- (c) Neither allowed as deduction nor form part of cost
- (d) None of the above

(61) Loss from trading in derivatives through a recognised stock exchange can be carried forward for:

- (a) 8 years
- (b) 4 years
- (c) Unlimited years.
- (d) None of the above

- (62) Deduction u/s. 80E in respect of interest on education loan is allowed for:
- (a) 10 years or till the interest is paid whichever is earlier.
  - (b) 8 years or till the interest is paid whichever is earlier.
  - (c) 10 years
  - (d) 8 years
- (63) Dividend received by a shareholder of an Indian Company engaged in growing and manufacturing of tea shall be treated as:
- (a) Agricultural income upto 60%
  - (b) Agricultural income upto 100%
  - (c) Non-agricultural income upto 60%
  - (d) Non-agricultural income upto 100%
- (64) Income of REIF being a business trust by way of renting or leasing of an asset is exempt if:
- (a) Such asset is a land owned by it
  - (b) Such asset is any Real Estate Asset owned by it
  - (c) Such asset is a land hired by it
  - (d) Such asset is any Real Estate Asset hired by it
- (65) Cash gifts received by HUF from his members to the extent of Rs. 75,000 will be treated as income of:
- (a) The HUF
  - (b) The members
  - (c) None, as it is exempt
  - (d) Both the HUF and the members
- (66) The following is taxable under the head "Salaries":
- (a) Gifts received by employee from employer
  - (b) Salary received by partner from a firm
  - (c) Fees received by director from a company
  - (d) Commission received by agent from a principal
- (67) Maximum amount which is not chargeable to tax in case of a non-resident very senior citizen is
- (a) Rs. 2,50,000
  - (b) Rs. 3,00,000
  - (c) Rs. 5,00,000
  - (d) None of above
- (68) A partnership firm will become resident in India if
- (a) Its control and management is totally in India
  - (b) Its control and management is totally or partly in India
  - (c) Its place of effective management is in India
  - (d) Its partners become resident in India
- (69) Transport allowance in case of a disabled employee is exempt upto:
- (a) Rs. 800 p.m.
  - (b) Rs. 1,600 p.m.
  - (c) Rs. 3,200 p.m.
  - (d) No limit
- (70) A religious trust received anonymous donations of Rs. 10 lakhs, the said sum is:
- (a) Fully exempt
  - (b) Partly exempt
  - (c) Chargeable at MMR
  - (d) Not taxable at MMR

- (71) Income from farm house outside India is:
- (a) Agricultural income
  - (b) Agricultural income, if certain conditions are satisfied
  - (c) Non-agricultural income
  - (d) Partly agricultural and partly non-agricultural income
- (72) While calculating TDS, surcharge is also considered if the payee is:
- (a) Non-Resident
  - (b) Foreign company
  - (c) Domestic company
  - (d) Any assessee
- (73) When the shares are held in unlisted company, it is treated as long term capital assets when the holding period exceeds
- (a) 36 months
  - (b) 12 months
  - (c) 6 months
  - (d) 24 months
- (74) Personal effect do not cover the following
- (a) Jewellery
  - (b) Immovable property
  - (c) Drawings
  - (d) All of the above
- (75) TDS on interest on securities is covered under section
- (a) Section 192
  - (b) Section 192A
  - (c) Section 193
  - (d) None of the above
- (76) Rate of TDS on dividend u/s 194
- (a) 5%
  - (b) 10%
  - (c) 20%
  - (d) None of the above
- (77) Income of minor child is exempt upto \_\_\_\_\_.
- (a) Rs. 1,000
  - (b) Rs. 1,500
  - (c) Rs. 2,500
  - (d) None of the above.
- (78) The accounts of the political party shall be audited by a \_\_\_\_\_.
- (a) Cost Accountant
  - (b) Chartered Accountant
  - (c) Company Secretary
  - (d) None of the above.
- (79) Loss from specified business covered u/s 35AD can be adjusted against the income of
- (a) Any other business income
  - (b) Cannot be adjusted
  - (c) Any income other than salary
  - (d) Income from other specified business
- (80) ICDS-II stands for \_\_\_\_\_.
- (a) Accounting policies
  - (b) Construction Contract

- (c) Revenue recognition
- (d) Valuation of inventories

(81) ICDS-IV stands for \_\_\_\_\_.

- (a) Accounting policies
- (b) Construction Contract
- (c) Revenue recognition
- (d) Valuation of inventories

(82) TDS on income of FII from securities

- (a) 5%
- (b) 10%
- (c) 20%
- (d) 30%

(83) TDS on commission other than insurance commission

- (a) 5%
- (b) 10%
- (c) 20%
- (d) 30%

(84) As per ICDS-II — "Valuation on Inventories" there recognises \_\_\_\_\_ costing formulae.

- (a) 2
- (b) 3
- (c) 4
- (d) 5

(85) Mr Pankaj, partner of PKJ, is assessable as

- (a) Firm
- (b) Individual
- (c) HUF
- (d) None of the above

(86) In case of local authority the return of income is verified by

- (a) Karta
- (b) Managing director
- (c) Principal officer
- (d) Partner

(87) In case of self-occupied house property, following category of person are considered:

- (a) All assessee
- (b) All assessee other than company
- (c) All Assessee other than HUF
- (d) Individual and HUF

(88) Amortization of preliminary expenses has been restricted to \_\_\_ of the cost of project.

- (a) 2%
- (b) 3%
- (c) 5%
- (d) 8%

(89) Unabsorbed business losses cannot be carried forward for more than

- (a) 5 A.Y
- (b) 6 A.Y
- (c) 8 A.Y
- (d) 10 A.Y

- (90) Coverage of best judgment assessment is under which section.
- (a) 143
  - (b) 139(1)
  - (c) 147
  - (d) 144
- (91) Monetary limit for exemption in the case of encashment of earned leave on superannuation received by private sector employee is
- (a) 1 Lakh
  - (b) 2 Lakh
  - (c) 3 Lakh
  - (d) None of the above
- (92) Deduction is not allowed to the assessee while computing income from other sources for
- (a) Direct Tax
  - (b) Interest payable outside India without TDS
  - (c) Personal expenditure
  - (d) All of the above
- (93) When Mr. Balu paid royalty to Dr. Peter of Sweden for use of know-how in India, such payment is
- (a) exempt from tax
  - (b) accruing in India
  - (c) accrues in Sweden
  - (d) received in India.
- (94) Mr. Hari resident in India received Rs. 11 lakhs by way of dividend from Indian companies. Such dividend is:
- (a) exempt from tax
  - (b) taxable at regular rates.
  - (c) taxable at maximum marginal rate
  - (d) taxable at 10%
- (95) When an employee receives money on closure of national pension system trust it is
- (a) chargeable to tax
  - (b) exempt from tax
  - (c) 40% is exempt from tax
  - (d) 60% is exempt from tax
- (96) When employer contributes to approved superannuation fund it is chargeable to tax as perquisite when the contribution exceeds-
- (a) Rs. 1,50,000
  - (b) Rs. 1,00,000
  - (c) Rs. 50,000
  - (d) Rs. 20,000
- (97) Long term capital gain arising from transfer of unlisted securities in the hands of non-resident / foreign company is chargeable to tax at
- (a) 10%
  - (b) 20%
  - (c) 30%
  - (d) 40%
- (98) A start-up can claim deduction under Section 80-IAC for \_\_\_\_ consecutive years beginning from the year in which the eligible start-up was incorporated.
- (a) 1
  - (b) 2
  - (c) 3
  - (d) 5

- (99) When the return of income for the assessment year 2017-18 is filed under Section 139(4), the assessee can revise the return on or before-
- 31-3-2018
  - 31-12-2018
  - 31-03-2019
  - 31-12-2019
- (100) When copyright is acquired for Rs. 50 lakhs on 10-11-2016 and used from 01-12-2016, the amount of depreciation under Section 32 would be \_\_\_\_\_
- Nil
  - Rs. 12,50,000
  - Rs. 6,25,000
  - Rs. 15,00,000
- (101) Mr. Raj (age 62) is Karta of HUF which is engaged in textile trade. The total income of the HUF is Rs. 3,40,000. The tax liability of the HUF would be \_\_\_\_\_
- Rs. 9,270
  - Rs. 4,120
  - Nil
  - Rs. 1,05,060
- (102) Interest on Post Office SB joint account is exempt upto \_\_\_\_\_
- Rs. 3,500
  - Rs. 7,000
  - Rs. 10,000
  - Rs. 20,000
- (103) When cash is deposited into savings bank account, quoting of PAN is mandatory when the amount of deposit is \_\_\_\_\_ or more.
- Rs. 20,000
  - Rs. 50,000
  - Rs. 1,00,000
  - Rs. 2,00,000
- (104) Financial Year 2017-18 shall be considered as
- Assessment Year for the P.Y. 2016-17 and previous year for the A.Y. 2017-18
  - Assessment Year for the P.Y. 2016-17 and previous year for the A.Y. 2018-19
  - Assessment Year for the previous year 2017-18
  - Previous year for the assessment year 2017-18
- (105) For the purpose of levying tax on income other than agricultural income, Union List contained entry
- 82
  - 92C
  - 92D
  - None of the Above
- (106) Following is not a head of income:
- Income from House Property
  - Salaries
  - Income from Interest on securities
  - None of the Above
- (107) If total income of a person is Rs. 2,67,888.34, it shall be rounded off to:
- Rs. 2,67,888/-
  - Rs. 2,67,890/-
  - Rs. 2,67,880/-
  - None of the Above

- (108) Income tax is a:
- Indirect Tax
  - Entertainment Tax
  - Direct Tax
  - None of the Above
- (109) A Hindu Undivided family is said to be resident in India if
- The family has a house in India where some of its members reside
  - The member of such HUF is in India during the previous year
  - Control and management of its affairs wholly or partly situated in India
  - The Karta has been resident in India in atleast 9 out of 10 previous years preceding the relevant previous year
- (110) An individual is said to be resident in India if
- He has a house in India
  - He is in India in the previous year for a period of 182 days or more
  - He is in India for a period of 30 days or more during the previous year and for 365 or more days during 4 previous years immediately preceding the relevant previous year
  - His parents are Indian citizen.
- (111) An Indian citizen leaving India during the previous year for employment purpose is said to be resident if
- He has a house in India
  - He is in India in the previous year for a period of 182 days or more
  - He is in India for a period of 60 days or more during the previous year and for 365 or more days during 4 previous years immediately preceding the relevant previous year
  - His parents are Indian citizen.
- (112) An individual, being foreign national, came to India first time during the previous year 2017-18 on 01-01-2018 for 200 days, his residential status for the previous year 2017-18 is.
- Non-resident
  - Resident but not ordinarily resident in India
  - Resident and ordinarily resident in India
  - Resident in India
- (113) Following income of a resident and ordinarily resident is taxable in India, that is
- Bank interest from State Bank of India, Delhi
  - Bank interest from Bank of America, New York Branch
  - Rental income from house property located in London
  - All of the above
- (114) Which of the following is an agriculture income?
- Dividend paid by a company out of its agriculture income.
  - Share of Profit of a Partner from a firm engaged in an agriculture operation
  - Income from supply of water by assessee from a tank in its agriculture land.
  - Interest received by a money lender in the form of agricultural produce.
- (115) Which of the following incomes received by an assessee are exempt under section 10 of the Income Tax Act?
- Agriculture Income
  - Salary of a partner from a firm
  - Salary received by a member of a ship's crew.
  - All of (a), (b) and (c) above
- (116) In case of an individual or HUF, agricultural income is
- Exempted
  - Exempted but included in the total income for the rate purpose
  - Fully taxable provided it is earned from India
  - Taxable at flat rate of 10%

- (117) In case of an assessee engaged in the business of manufacturing of tea, his agricultural income is:
- (a) 60% of total receipt of the business
  - (b) 60% of income of the business
  - (c) Nil
  - (d) Total business income
- (118) Remuneration to partner of a firm engaged in the business of growing and manufacturing rubber in India is:
- (a) Partly agricultural income and partly non-agricultural income
  - (b) Agricultural income
  - (c) Non-Agricultural income
  - (d) None of the above
- (119) Following activity shall be considered as agricultural activity:
- (a) Subsequent operation on the agricultural land
  - (b) Basic operation on the agricultural land
  - (c) Basic and subsequent operation on the agricultural land
  - (d) Both (b) and (c)
- (120) Which of the following is not taxable under head 'Salaries'?
- (a) Remuneration paid to the lecturer of a college for setting a question paper by a university.
  - (b) Salary received by a member of the Parliament.
  - (c) Commission received by an employee director of a company.
  - (d) Both (a) and (b) above
- (121) Employer's contribution to unrecognized provident fund
- (a) Is exempt from tax
  - (b) 10% of Salary of employee is taxable
  - (c) Is exempted subject to maximum of 2/5 of salary of the employee
  - (d) Is fully taxable
- (122) If a domestic servant is engaged by the employer and salary is paid by him, the perquisite is
- (a) Taxable in the hands of all employees
  - (b) Not taxable in the hands of both specified and non-specified employers
  - (c) Taxable in the hands of specified employees only
  - (d) Taxable to the extent of Rs. 120 per person in the hands of all employees.
- (123) Which of the following is taxable under the head 'salaries'?
- (a) Salary received by a Member of State Legislature.
  - (b) Commission received by an employee director of a company.
  - (c) Family pension received
  - (d) Both (a) and (b) above
- (124) Who among the following is a specified employee?
- (a) A director of a company
  - (b) An employee drawing a salary of Rs. 15,000 p.m.
  - (c) A person who is an owner of equity shares carrying 10% voting power in the employer company.
  - (d) Both (a) and (b) above
- (125) Rate of Interest accruing to a particular employee by virtue of his employer's contribution to Recognized Provident Fund is 12.5% p. a. In such a case
- (a) Total Interest accrued is taxable
  - (b) Total Interest accrued is exempt

- (c) Only 10% Interest is taxable  
 (d) Only 3% of interest is taxable
- (126) Statutory limit u/s.16(ii) for deduction of entertainment allowance in case of a non-Government employee is  
 (a) Rs. 5,000  
 (b) 12.5% of employees' salary  
 (c) 20% of employees' salary  
 (d) NIL
- (127) Taxable value of perquisite being sweat equity shares allotted by the employer is:  
 (a) The fair market value of such shares as on the date when such option is exercised by the employee as reduced by the amount paid  
 (b) The fair market value of such shares as on the date when such option is vested to the employee as reduced by the amount paid  
 (c) Fair market value subject to standard deduction of Rs. 50,000  
 (d) Not taxable in hands of employee.
- (128) Net Annual Value of a self-occupied property treated as such is:  
 (a) Fair Rent  
 (b) Nil  
 (c) Reasonable Expected Rent as reduced by municipal tax paid during the previous year.  
 (d) None of the Above
- (129) One out of the following house properties is not exempted, which is:  
 (a) House property of a political party  
 (b) House property let out for the purpose of own business of tenant.  
 (c) House property of a local authority  
 (d) None of the Above
- (130) A house property located outside India is:  
 (a) Taxable in hands of all assessee  
 (b) Taxable in hands of non resident assessee  
 (c) Taxable in hands of resident and ordinarily resident assessee  
 (d) Exempted from tax in India.
- (131) Deduction u/s 24(a) is  
 (a) 30% of net annual value of the house property  
 (b) 30% of gross annual value of house property  
 (c) 30% of actual rent received  
 (d) None of the Above
- (132) Interest relating to pre-construction period is allowable:  
 (a) In 5 equal installments from the year in which it was incurred.  
 (b) In the year in which it was incurred  
 (c) In the year in which house property was constructed  
 (d) None of the Above
- (133) For the purpose of claiming higher deduction u/s 24(b), while computing income of a self-occupied property, assessee is required to take:  
 (a) Loan on or before 01-04-1999  
 (b) Loan on or after 01-04-1999  
 (c) Loan after 01-04-1999  
 (d) Loan on 01-04-1999
- (134) Income from sub-letting is:  
 (a) Taxable under the head 'Income from House Property'

- (b) Taxable under the head 'Income from Other Sources'
  - (c) Exempted
  - (d) None of the above
- (135) Deduction u/s 24(a) is not available when:
- (a) Net annual value is zero
  - (b) Net annual value is positive
  - (c) Net annual value is zero or negative
  - (d) None of the above
- (136) Which of the following deductions is /are not allowed in case of a deemed to be let-out house?
- (a) New construction allowance
  - (b) Repairs
  - (c) Vacancy allowance
  - (d) All of the above
- (137) Which of the following is not allowed as a deduction for computation of business Income?
- (a) Loss incurred due to theft in factory after working hours
  - (b) Anticipated future losses
  - (c) Loss caused by white ants
  - (d) Loss due to accidental fire in stock-in-trade
- (138) Preliminary expenses are incurred in every business. What are the expenses that qualify for deduction u/s.35D?
- (a) Expenses for drafting memorandum and articles of association
  - (b) Payment of duty at the office of Registrar of Companies
  - (c) Expenditure incurred in preparation of project report
  - (d) All of the above
- (139) Expenditure incurred by a company for the purpose of promoting family planning among its employees, being of a capital nature
- (a) Is not allowed as a deduction
  - (b) Allowed as deduction in 4 equal installments in 4 years
  - (c) 1/5 of expenditure is allowed as deduction in the previous year
  - (d) 4/5 of expenditure is allowed as deduction in 4 equal installments in 4 years after the previous year
- (140) Expenditure on promotion of family planning is an allowance as deduction u/s. 36(1)(ix) of the Income Tax Act, 1961 in case of
- (a) Individual
  - (b) Firm
  - (c) HUF
  - (d) Company
- (141) Deduction u/s 35AD is available in respect of expenditure on specified business, one of them is:
- (a) Setting up and operating a cold chain facility
  - (b) Setting up and operating a power plant
  - (c) Setting up and operating an industrial unit
  - (d) All of the above
- (142) Deduction u/s 35AD is available in respect of expenditure on specified business provided such business commenced its operation on or after 01-04-2009 subject to an exception that:
- (a) Business of industrial undertaking may be commenced at any time on or after 01-04-2007

- (b) Business of laying and operating a cross-country natural gas pipeline network may be commenced at any time on or after 01-04-2007
  - (c) Business of cold chain facility may be commenced at any time on or after 01-04-2007
  - (d) All of the above
- (143) In case of loss, a partnership firm may claim deduction in respect of remuneration to partner to the extent of:
- (a) Rs. 1,50,000/-
  - (b) Rs. ,50,000/- or remuneration paid, whichever is lower
  - (c) Rs. 1,50,000/- or 90% of book profit, whichever is lower
  - (d) Nil
- (144) Block of asset is required to be increased by an amount which is actual cost of the asset being covered u/s 35AD that amount is:
- (a) Actual expenditure
  - (b) Nil
  - (c) 50% of actual expenditure
  - (d) None of the above.
- (145) A payment of Rs. 25,000 is made to the road transport-operator on 20-02-2018 in cash, consequently, amount disallowed u/s 40A(3) is
- (a) Nil
  - (b) Rs. 25,000
  - (c) Rs. 5,000
  - (d) None of the above
- (146) U/s 54, capital gain will be allowed as exemption if the house property under transfer is held for
- (a) Less than 12 months preceding the date of transfer
  - (b) More than 12 months preceding the date of transfer
  - (c) Less than 36 months preceding the date of transfer
  - (d) More than 24 months preceding the date of transfer
- (147) Capital gain on Slump sale is
- (a) always short-term capital gain
  - (b) always long-term capital gain
  - (c) Depends on period of holding of capital asset being undertaking transferred
  - (d) Not taxable
- (148) While computing capital gain on sale of immovable property, full value of consideration shall be:
- (a) Actual consideration
  - (b) Actual consideration less expenses on transfer
  - (c) Actual consideration or stamp duty value of the property transferred, whichever is higher
  - (d) Stamp Value of the property transferred.
- (149) Cost of acquisition of capital asset being immovable property acquired through gift covered u/s 49(4) is:
- (a) Actual cost of acquisition to the previous owner
  - (b) Nil
  - (c) Stamp duty value of the property as considered while computing income u/s 56(2)
  - (d) Actual cost of acquisition to the assessee.
- (150) Long term capital gain on sale of equity share through stock exchange
- (a) is exempt u/s 10(38)
  - (b) is exempt u/s 10(37)

- (c) is covered u/s 111A, hence liable to tax @ 15%
- (d) is taxable @ 20% and @ 10% if index benefit is not claimed.

(151) Caution money forfeited by the assessee is:

- (a) Taxable in the year of forfeiture under the head "Income from Other Sources"
- (b) Exempt fully
- (c) Taxable in the year of forfeiture under the head "Capital Gain"
- (d) Considered as casual income and liable to tax @ 30%.

(152) Gift of a capital asset is not considered as transfer, however exception is:

- (a) Shares acquired under the Employees Stock Option Plan
- (b) Jewellery
- (c) Immovable property
- (d) Nil

(153) Cost of acquisition of self-generated asset is nil, the exception is:

- (a) Goodwill
- (b) Route permit
- (c) Bonus shares acquired before 01-04-2001
- (d) Loom hours

(154) Interest on delayed compensation or enhanced compensation is taxable:

- (a) On accrual basis
- (b) On receipt basis
- (c) Exempt from tax
- (d) As per method of accounting of the assessee.

(155) While computing taxable interest on delayed compensation, a standard deduction is allowed @

- (a) 50%
- (b) 30%
- (c) 15%
- (d) Nil

(156) An individual purchased a painting on 01-11-2017 for Rs. 5,00,000 though fair market value of the asset is `5,25,000. Income taxable u/s 56(2)(x) is:

- (a) Rs. 25,000 i.e., difference between market value and actual consideration
- (b) Nil as this is not gift
- (c) Nil as difference between market value and actual consideration does not exceed Rs. 50,000
- (d) The provision of sec. 56(2)(x) is not applicable for any transaction entered during P.Y. 2017-18.

(157) The provision of sec.56(2)(x) is applicable on

- (a) All assessee
- (b) Only on corporate assessee
- (c) On an individual only
- (d) On an individual and HUF only

(158) Tax is deducted at source on winning from lottery, the rate for such deduction in case of resident individual deductee is:

- (a) 30.9%
- (b) Maximum marginal rate of tax
- (c) 30% if such winning exceeds Rs. 10,000
- (d) 33.99%

- (159) While computing income from other sources, deduction is not allowed to the assessee for:
- Personal expenditure
  - Direct tax
  - Interest payable outside India without TDS
  - All of the above
- (160) Gift received by an individual in certain circumstances is not taxable, one of them is:
- Any gift received from family friend
  - Any gift received on the occasion of any marriage in the family
  - Any gift received on the occasion of the marriage of the individual-assessee
  - All of the above
- (161) Generally, dividend is exempt from tax. Exceptions to this rule is:
- Dividend distributed by foreign company
  - Dividend covered u/s 2(22)(e)
  - Dividend from co-operative society
  - All of the above
- (162) One of the following receipt is taxable under the head 'Income from Other Sources':
- Uncommuted pension received from ex-employer
  - Income from racing establishment
  - Rental income from house property
  - Income on transfer of rural agro land
- (163) A person is deemed to have substantial interest in a company if he is
- The owner of at least 20% of equity capital of the company
  - The owner of at least 25% of equity capital of the company
  - Entitled to 10% of profits of the concern
  - An employee director
- (164) Income of minor is clubbed however the clubbing provision is not applicable if
- Minor is a married daughter
  - Minor is handicapped as specified u/s 80U
  - Parents are separated
  - None of the above
- (165) As per sec.60, income is clubbed if
- Asset yielding income is transferred as revocable transfer
  - Income is transferred without transferring asset yielding income
  - Asset yielding income is transferred as irrevocable transfer
  - None of the above
- (166) Any income from an asset transferred to spouse without adequate consideration is clubbed in the hands of the transferor if:
- Such asset is held by the spouse as on the last day of the previous year
  - Relationship between them exist as on the date of accrual of income
  - Transferee is not a senior citizen
  - None of the above
- (167) For the purpose of sec.64, an individual have substantial interest in a company if he holds 20% of voting right alongwith his relative. Here, relative do not include:
- Spouse
  - Father
  - Father-in-law
  - None of the above

- (168) Unabsorbed business losses cannot be carried for more than
- (a) 7 assessment years
  - (b) 8 assessment years
  - (c) 10 assessment years
  - (d) 12 assessment years
- (169) Long term capital loss can be adjusted against
- (a) Any income excluding winning from lottery
  - (b) Any capital gain
  - (c) Any long term capital gain
  - (d) Any speculative business income
- (170) Unabsorbed depreciation can be carried forward for
- (a) Any number of years
  - (b) 8 years
  - (c) 4 years
  - (d) 7 years
- (171) Deduction u/s 80CCC allowed to an individual for amount paid by him in an annuity plan of LIC is restricted to
- (a) Rs. 5,000
  - (b) Rs. 7,500
  - (c) Rs. 1,50,000
  - (d) Rs. 12,500
- (172) Deduction under the section 80E is allowed in respect of
- (a) Donations to charitable institutions
  - (b) Medical treatment of handicapped person
  - (c) Interest on loan taken for education
  - (d) Profits earned from exports
- (173) 80GGA available for donations made to
- (a) Charitable Institutions
  - (b) Educational Institutions
  - (c) Research Associations
  - (d) Religion organizations
- (174) Deduction u/s. 80JJA is available if the assessee
- (a) Is engaged in scientific research
  - (b) Sets up an industrial unit in a backward area
  - (c) Is engaged in agriculture business
  - (d) Is engaged in the business of collecting and processing biodegradable waste.
- (175) On donation to whom of the following a 50% deduction is allowable u/s.80G of the Income Tax Act?
- (a) National Defence Fund
  - (b) Prime Ministers National Relief Fund
  - (c) Rajiv Gandhi Foundation
  - (d) National foundation for Communal Harmony
- (176) Section 80QQB of the Income Tax Act, 1961, deals with
- (a) Interest on debentures of a govt. company
  - (b) Royalty Income of authors
  - (c) Royalties from textbooks
  - (d) Profits from export of computer software
- (177) First due date for payment of advance tax in case of an individual is ..... of the previous year

- (a) 15-Dec
- (b) 15-June
- (c) 15-Sept
- (d) 15-Mar

(178) Advance tax is required to be paid by all assessee only if estimated advance tax liability is

- (a) Rs. 5,000 or more
- (b) Rs. 10,000 or more
- (c) More than zero
- (d) Rs. 50,000 or more

(179) While computing advance tax following income shall not be considered:

- (a) Agricultural income
- (b) Long term capital gain
- (c) Speculative profit
- (d) None of these

(180) Tax is required to be deducted at ..... from payment made to a road transport operator who declares that he does not own more than 10 goods carriage.

- (a) Nil
- (b) Nil if he furnished the PAN
- (c) 1%
- (d) 2%

(181) Tax is required to be deducted at ..... from rent payable on plant and machinery to a resident (Assuming PAN details are available)

- (a) Nil
- (b) 15%
- (c) 1%
- (d) 2%

(182) Tax is required to be deducted at ..... from interest payable to a resident. (Assuming PAN details are available)

- (a) 10%
- (b) 20% if payee is domestic company else 10%
- (c) 10% + Surcharge (if any) + Cess + SHEC
- (d) 20%

(183) Tax is required to be collected on sale of:

- (a) Scrap
- (b) Tendu Leaves
- (c) Alcoholic Liquor
- (d) All of the above

(184) TDS is not required to be deducted u/s 194A if the amount of interest on loan does not exceed:

- (a) Rs. 5,000
- (b) Rs. 2,500
- (c) Rs. 7,500
- (d) Rs. 20,000

(185) On salary, tax is required to be deducted at the time of:

- (a) Payment or crediting the employee, whichever is earlier
- (b) Crediting the employee
- (c) Payment
- (d) Retirement of employee

- (186) Where assessment has not been completed, belated income tax return for assessment year 2018-19 can be filed upto
- (a) 31.03.2019
  - (b) 31.02.2019
  - (c) 31.03.2020
  - (d) 31.12.2019
- (187) Following form number is to be used for filing the return of income by an individual having business income?
- (a) Form No. 1
  - (b) Form No. 2
  - (c) Form No. 5
  - (d) Form No. 3
- (188) W.e.f. 01-04-2016, quoting 'Permanent Account Number' (PAN) is compulsory in the following transaction –
- (a) Payment to LIP exceeding Rs. 50,000 in a financial year
  - (b) Sale or purchase of any immovable property valued at Rs. 4,00,000
  - (c) Time deposit upto Rs. 35,000 with a bank
  - (d) None of the above
- (189) Pelf Finstock Ltd. filed its return of Income Tax for A.Y. 2018-19 on 30th March, 2019. The notice for making scrutiny assessment under section 143(3) can be served on the assessee upto –
- (a) 31st December 2019
  - (b) 30th September 2019
  - (c) 31st March 2019
  - (d) 30th September 2020
- (190) When assessment has not been completed, revised return can be filed within \_\_\_\_\_ from the end of the relevant previous year.
- (a) one year
  - (b) 6 months
  - (c) 1 month
  - (d) 2 years
- (191) Which of the following is not a case of deemed ownership of house property?
- (a) Transfer to spouse for inadequate consideration
  - (b) Transfer to minor child for inadequate consideration
  - (c) Co-owner of a Property
  - (d) None of the above
- (192) Where assessment has not been completed, belated income tax return for the A.Y. 2018-19 can be filed up to:
- (a) 31.03.2019
  - (b) 31.02.2019
  - (c) 31.03.2020
  - (d) Cannot be filed belatedly.
- (193) An individual estimates that he is required to pay Rs. 1,00,000 as advance tax. By 15th of December, how much amount must be paid by the individual?
- (a) Rs. 30,000
  - (b) Rs. 75,000
  - (c) Rs. 1,00,000
  - (d) Nil

- (194) Section 80 RRB the Income-tax Act, 1961 deals with deduction from gross total income in respect of income by way of
- (a) Interest on debentures of a government company
  - (b) Royalty income on authors
  - (c) Royalty on patents
  - (d) Royalty from text-books
- (195) Preliminary expenses that can be amortized under the Income-tax Act 1961 has to be restricted to \_\_\_\_\_ of the cost of the Project.
- (a) 5%
  - (b) 15%
  - (c) 20%
  - (d) None of the above
- (196) Maximum Marginal Rate for the A.Y. 2018-19 is \_\_\_\_\_ .
- (a) 34.5%
  - (b) 33.99%
  - (c) 35.535%
  - (d) None of the above
- (197) Rebate u/s 87A can be claimed by
- (a) Any resident
  - (b) Resident Individual
  - (c) Any person
  - (d) Any person other than non-resident
- (198) As per section 115BBDA dividend from Indian companies is taxable in the hands of certain recipients at \_\_\_\_\_ when the aggregate dividend exceeds \_\_\_\_\_.
- (a) 10%, 1 lakh
  - (b) 15%, 10 lakhs
  - (c) 10%, 10 lakhs
  - (d) 5%, 5 lakhs
- (199) ICDS VIII deals with \_\_\_\_\_ .
- (a) Government Grants
  - (b) Securities
  - (c) Revenue recognition
  - (d) Construction Contract
- (200) Income escaping assessment is covered under section \_\_\_\_\_ .
- (a) 144
  - (b) 156
  - (c) 143(3)
  - (d) 147
- (201) Short-term capital gain on sale of listed shares (STT paid) in a recognized stock exchange is chargeable to income-tax @ \_\_\_\_\_ %.
- (a) 10
  - (b) 15
  - (c) 20
  - (d) 30
- (202) When the total income of an individual exceeds Rs.50 lakhs, the surcharge is payable @
- (a) 5%
  - (b) 7%
  - (c) 10%
  - (d) 12%

- (203) When the amount is withdrawn from National Pension System Trust, it is chargeable to tax to the extent the withdrawal exceeds \_\_\_\_\_ % of the contribution of the assessee.
- 10
  - 25
  - 15
  - 20
- (204) Ms. Jothi (aged 23) got married and left India to join her husband in the United Kingdom on 10.06.2017. She had never left India earlier. Her residential status for the assessment year 2018-19 is:
- Resident and ordinarily resident
  - Resident but not ordinarily resident
  - Non-resident
  - None of the above
- (205) While computing TDS on salary paid to employees, the losses given below to the applicable extent would be considered by the employer:
- Loss from business
  - Loss from house property
  - Long-term capital loss
  - Short-term capital loss
- (206) When tax is not deducted at source on annual rent of Rs.2 lakhs paid to landlord by a company, the amount liable for disallowance under section 40(a) (ia) is
- Nil
  - Rs.2,00,000
  - Rs.20,000
  - Rs.60,000
- (207) When the assessee has loss from house property, the maximum amount of such loss eligible for set off against other permissible incomes would be
- Rs.30,000
  - Rs.1,50,000
  - Rs.2,00,000
  - No Limit
- (208) When a capital asset was acquired on 01.04.1980 and sold in June, 2017, the cost of acquisition or the fair market value of the asset as on -----, at the option of the assessee is to be adopted for indexation purpose:
- 01.04.2011
  - 01.04.2001
  - 01.04.1991
  - 01.04.1981
- (209) When a motor car is sold for Rs.12 lakhs by a dealer to a buyer holding PAN, the amount of tax collectible as source shall be \_\_\_\_\_ .
- Rs.12,000 (1%)
  - Rs. 24,000 (2%)
  - Rs. 1,20,000(10%)
  - NIL
- (210) Cash donation given to a charitable trust (approved under section 80G) is eligible for deduction under that section, when the amount of donation does not exceed
- Rs. 2,000
  - Rs. 5,000
  - Rs. 7,000
  - Rs. 10,000

- (211) In the case of a domestic company (turnover/gross receipts Rs. 70 crores), the basic rate of income-tax applicable for computing as per normal provisions would be \_\_\_\_\_, when the turnover of the company has been Rs. 45 crores in the previous year relevant to the assessment year 2017-18. (Note: Ignore surcharge, education cess, etc.)
- 30%
  - 29%
  - 25%
  - 35%
- (212) The maximum marginal rate of tax applicable for individual taxpayer having total income of Rs. 1.5 crore (including surcharge and health & education cess) is \_\_\_\_\_.
- 34.32%
  - 35.88%
  - 34.944%
  - 29.12%
- (213) When a charitable trust registered u/s 12AA pays Rs. 50,000 towards rent to a resident for the premises occupied by it without deduction of tax at source for the entire previous year 2018-19, the amount of rental expenditure liable for disallowance would be \_\_\_\_\_.
- Nil
  - Rs. 6,00,000
  - Rs. 4,20,000
  - Rs. 1,80,000
- (214) The lock-in-period for capital gain bonds issued by National Highway Authority of India for the purpose of deduction under section 54EC is \_\_\_\_\_.
- 5 years
  - 3 years
  - 7 years
  - 1 year
- (215) The TDS rate for payments made to a non-resident sportsman is \_\_\_\_\_ %.
- 20
  - 20.8
  - 30
  - Nil
- (216) Where a partner of a firm transfers any capital asset to the firm by way of capital contribution, for the purpose of computing capital gain in the hands of the partner, the amount of deemed consideration is
- cost to the partner.
  - fair market value of the asset on the date of transfer.
  - the amount recorded in the books of the firm.
  - value as determined by the Stamp valuation authority.
- (217) When the gross receipts from profession exceed Rs. \_\_\_\_\_ lakhs, it is liable for audit under section 44AB and the provisions of section 44ADA will not apply.
- 50
  - 25
  - 100
  - 20
- (218) Medical insurance premium incurred for senior citizen is eligible for deduction up to \_\_\_\_\_ under section 80D.
- Rs. 30,000
  - Rs. 50,000
  - Rs. 1,00,000
  - Rs. 60,000

- (219) When a resident senior citizen having gross total income of Rs. 5,56,000, has derived interest from savings account in a nationalized bank of Rs. 8,200 and fixed deposit interest of Rs. 47,000 from such bank, he is eligible for deduction of Rs. \_\_\_\_\_ from the gross total income.
- (a) 55,200  
 (b) 8,200  
 (c) 47,000  
 (d) 50,000
- (220) Seshan, a retired civil servant received monthly pension of Rs. 60,000 during the previous year 2018-19. The amount of pension liable to tax after standard deduction would be Rs. \_\_\_\_\_.
- (a) 7,10,000  
 (b) 7,00,000  
 (c) 6,80,000  
 (d) 6,30,000
- (221) Mr. Atul (aged 63), a resident Indian, paid for himself through account payee cheque, health insurance premium of Rs. 2,10,000 for 5 years in one lump sum on 28.03.2019. The eligible amount of deduction under section 80-D for the assessment year 2019-20 would be \_\_\_\_\_.
- (a) Rs. 50,000  
 (b) Rs. 30,000  
 (c) Rs. Nil  
 (d) Rs. 42,000
- (222) Ramesh Tea Ltd., acquired a motor car for Rs. 6,20,000 on 30.08.2018. The company is engaged in manufacture of tea in India. The amount of depreciation allowable on such motor car would be \_\_\_\_\_.
- (a) Rs. 93,000  
 (b) Rs. 37,200  
 (c) Rs. 46,500  
 (d) Nil
- (223) When an individual non-resident has total income exceeding Rs. 50 lakhs, the amount of surcharge payable on income-tax would be \_\_\_\_\_.
- (a) 17%  
 (b) 15%  
 (c) 12%  
 (d) 10%
- (224) When a charitable trust registered under section 12AA paid rent of Rs. 50,000 per month throughout the PY 2018-19 and no tax was deducted at source, the amount of expenditure to be considered for computing the application of income by the trust would be \_\_\_\_\_.
- (a) Rs. 6,00,000  
 (b) Nil  
 (c) Rs. 3,00,000  
 (d) Rs. 4,20,000
- (225) Manoj, a resident, employed in ABC Ltd., an Indian company, has gross annual salary income of Rs. 20,60,000. The standard deduction available under section 16(1) would be \_\_\_\_\_.
- (a) Nil  
 (b) Rs. 30,000  
 (c) Rs. 40,000  
 (d) Rs. 50,000

- (226) Shares in unlisted companies, in order to be treated as long-term capital asset, should be held for a minimum period of \_\_\_\_\_ immediately prior to the date of transfer.
- 365 days
  - 12 months
  - 24 months
  - None of the above
- (227) Padmaja Power Co. (P) Ltd. is engaged in generation and distribution of electrical power. It avails deduction under section 80-IA. The gross receipts of the company is Rs. 89 lakhs. The last date for filing the return of income in order to be eligible to avail deduction under section 80-IA is \_\_\_\_\_. (Note: Assume there is no extension of time for filling the return of income)
- 30.09.2019
  - 31.07.2019
  - 30.11.2019
  - 31.03.2020
- (228) Mr. Harivallabh incurred medical expenditure of Rs. 1,20,000 in respect of the disease specified in rule 11DD for his father (aged 66) who is wholly dependent on him. The amount eligible for deduction from his gross total income would be \_\_\_\_\_.
- Rs. 40,000
  - Rs. 60,000
  - Rs. 80,000
  - Rs. 1,00,000
- (229) When Mr. Avinash earned long-term capital gain of Rs. 1,80,000 on sale of listed shares, his total income being Rs. 10 lakhs, the amount of income-tax (including cess) on the said long-term capital gain would be \_\_\_\_\_.
- Nil
  - Rs. 18,720
  - Rs. 8,320
  - Rs. 10,400
- (230) Mr. Seshan received a loan of Rs. 2 lakhs from Seshan Trading (P) Ltd. in which he has 35% equity shareholding (with voting power). The accumulated profits of the company on the date of loan was Rs. 10 lakhs. The amount of tax (ignore cess) payable on such loan would be
- @ 10% by Mr. Seshan
  - @ 20% by the company
  - @ 30% by the company
  - Depends upon other income earned by Mr. Seshan

**Answer Key:**

- (1) (c) seven
- (2) There is no option in respect of correct answer as it should be 20% of gross receipt.
- (3) (a) 30%
- (4) (d) 100% as revenue expenditure
- (5) (c) Rs. 5,00,000
- (6) (c) 244A
- (7) (a) Any arithmetical error in the return
- (8) (b) tax demand
- (9) (a) 1,00,000, but not exceeding the amount of TDS/TCS.
- (10) (d) 1 lakh
- (11) (b) 2%
- (12) (d) Both "Profits and Gains from business or Profession" and "Income from Other Sources".
- (13) (d) 20%

- (14) (d) Rs. 5,00,000  
 (15) (d) Rs. 1,25,000  
 (16) (d) None of above  
 (17) (c) Taxable at normal rate applicable to the assessee  
 (18) (c) Taxable at normal rate applicable to the assessee  
 (19) (d) None of these  
 (20) (a) 10%  
 (21) (d) None of above  
 (22) (a) Rs. 50,000  
 (23) (c)Rs. 2,60,000  
 (24) (a) 100% of such donation  
 (25) (b) Not a capital asset  
 (26) (d) None of above  
 (27) (a) Exempt  
 (28) (c) 10  
 (29) (b) Not deductible  
 (30) (c) Rs. 52,000 plus cess  
 (31) (b) Rs. 50,000  
 (32) (b) Rs. 1,40,000  
 (33) (a) 100% of such amount  
 (34) (d) None of the above  
 (35) (c) Exempt  
 (36) (d) 2,600  
 (37) (b) 5 years  
 (38) (d) Rs. 10,00,000  
 (39) (c) 9%  
 (40) (b) 50,000  
 (41) (d) 3,250  
 (42) (d) 2 crore  
 (43) (c) 5%  
 (44) (b) Agricultural income  
 (45) (a) Nil  
 (46) (c) 10%  
 (47) (d) any adult member of the family.  
 (48) (a) the immediately preceding financial year.  
 (49) (a) NIL  
 (50) (a) NIL  
 (51) (a) Rs. 60,000  
 (52) (d) Rs. 7,50,000 (150%)  
 (53) (a) Rs. 3,00,000  
 (54) (d) None of the above  
 (55) (a) Resident in India  
 (56) (c) Fully taxable  
 (57) (c) Fully exempt  
 (58) (a) Gross Annual Value  
 (59) (c) Corporate and non-corporate assessee in notified area.  
 (60) (c) Neither allowed as deduction nor form part of cost  
 (61) (a) 8 years  
 (62) (b) 8 years or till the interest is paid whichever is earlier.  
 (63) (d) Non-agricultural income upto 100%  
 (64) (b) Such asset is any Real Estate Asset owned by it  
 (65) (b) The members  
 (66) (a) Gifts received by employee from employer  
 (67) (a) Rs. 2,50,000  
 (68) (b) Its control and management is totally or partly in India  
 (69) (c) Rs. 3,200 p.m.

- (70) (d) Not taxable at MMR  
 (71) (c) Non-agricultural income  
 (72) (b) Foreign company  
 (73) (d) 24 months  
 (74) (d) All of the above  
 (75) (c) Section 193  
 (76) (b) 10%  
 (77) (b) Rs. 1,500  
 (78) (b) Chartered Accountant  
 (79) (d) Income from other specified business  
 (80) (d) Valuation of inventories  
 (81) (c) Revenue recognition  
 (82) (b) 10%  
 (83) (a) 5%  
 (84) (b) 3  
 (85) (b) Individual  
 (86) (c) Principal officer  
 (87) (d) Individual and HUF  
 (88) (c) 5%  
 (89) (c) 8 A.Y  
 (90) (d) 144  
 (91) (c) 3 Lakh  
 (92) (d) All of the above  
 (93) (b) accruing in India  
 (94) (d) taxable at 10%  
 (95) (c) 40% is exempt from tax  
 (96) (a) Rs. 1,50,000  
 (97) (b) 20%  
 (98) (c) 3  
 (99) (c) 31-03-2019  
 (100) (c) Rs. 6,25,000  
 (101) (a) Rs. 9,270  
 (102) (b) Rs. 7,000  
 (103) (b) Rs. 50,000  
 (104) (b) Assessment Year for the P.Y. 2016-17 and previous year for the A.Y. 2018-19  
 (105) (a) 82  
 (106) (c) Income from Interest on securities  
 (107) (b) Rs. 2,67,890/-  
 (108) (c) Direct Tax  
 (109) (c) Control and management of its affairs wholly or partly situated in India  
 (110) (b) He is in India in the previous year for a period of 182 days or more  
 (111) (b) He is in India in the previous year for a period of 182 days or more  
 (112) (a) Non-resident  
 (113) (d) All of the above  
 (114) (b) Share of Profit of a Partner from a firm engaged in an agriculture operation  
 (115) (a) Agriculture Income  
 (116) (b) Exempted but included in the total income for the rate purpose  
 (117) (c) Nil  
 (118) (a) Partly agricultural income and partly non-agricultural income  
 (119) (d) Both (b) and (c)  
 (120) (d) Both (a) and (b) above  
 (121) (a) Is exempt from tax  
 (122) (c) Taxable in the hands of specified employees only  
 (123) (b) Commission received by an employee director of a company  
 (124) (d) Both (a) and (b) above  
 (125) (d) Only 3% of interest is taxable

- (126) (d) NIL
- (127) (a) The fair market value of such shares as on the date when such option is exercised by the employee as reduced by the amount paid
- (128) (b) Nil
- (129) (b) House property let out for the purpose of own business of tenant.
- (130) (c) Taxable in hands of resident and ordinarily resident assessee
- (131) (a) 30% of net annual value of the house property
- (132) (d) None of the Above
- (133) (b) Loan on or after 01-04-1999
- (134) (b) Taxable under the head 'Income from Other Sources
- (135) (c) Net annual value is zero or negative
- (136) (d) All of the above
- (137) (b) Anticipated future losses
- (138) (d) All of the above
- (139) (c) 1/5 of expenditure is allowed as deduction in the previous year
- (140) (d) Company
- (141) (a) Setting up and operating a cold chain facility
- (142) (b) Business of laying and operating a cross-country natural gas pipeline network may be commenced at any time on or after 01-04-2007
- (143) (b) Rs. 1,50,000/- or remuneration paid, whichever is lower
- (144) (b) Nil
- (145) (a) Nil
- (146) (d) More than 24 months preceding the date of transfer
- (147) (c) Depends on period of holding of capital asset being undertaking transferred
- (148) (c) Actual consideration or stamp duty value of the property transferred, whichever is higher
- (149) (c) Stamp duty value of the property as considered while computing income u/s 56(2)
- (150) (a) is exempt u/s 10(38)
- (151) (a) Taxable in the year of forfeiture under the head "Income from Other Sources"
- (152) (a) Shares acquired under the Employees Stock Option Plan
- (153) (c) Bonus shares acquired before 01-04-2001
- (154) (b) On receipt basis
- (155) (a) 50%
- (156) (c) Nil as difference between market value and actual consideration does not exceed Rs. 50,000
- (157) (a) All assessee
- (158) (c) 30% if such winning exceeds Rs.10,000
- (159) (d) All of the above
- (160) (c) Any gift received on the occasion of the marriage of the individual-assessee
- (161) (d) All of the above
- (162) (b) Income from racing establishment
- (163) (a) The owner of at least 20% of equity capital of the company
- (164) (b) Minor is handicapped as specified u/s 80U
- (165) (b) Income is transferred without transferring asset yielding income
- (166) (b) Relationship between them exist as on the date of accrual of income
- (167) (c) Father-in-law
- (168) (b) 8 assessment years
- (169) (c) Any long term capital gain
- (170) (a) Any number of years
- (171) (c) Rs. 1,50,000
- (172) (c) Interest on loan taken for education
- (173) (c) Research Associations
- (174) (d) Is engaged in the business of collecting and processing biodegradable waste.
- (175) (c) Rajiv Gandhi Foundation
- (176) (b) Royalty Income of authors
- (177) (b) 15-June
- (178) (b) Rs. 10,000 or more

- (179) (d) None of these  
 (180) (b) Nil if he furnished the PAN  
 (181) (d) 2%  
 (182) (a) 10%  
 (183) (d) All of the above  
 (184) (a) Rs. 5,000  
 (185) (c) Payment  
 (186) (a) 31.03.2019  
 (187) (d) Form No. 3  
 (188) (a) Payment to LIP exceeding Rs. 50,000 in a financial year  
 (189) (b) 30th September 2019  
 (190) (a) one year  
 (191) (c) Co-owner of a Property  
 (192) (a) 31.03.2019  
 (193) (b) Rs. 75,000  
 (194) (c) Royalty on patents  
 (195) (a) 5%  
 (196) (c) 35.535%  
 (197) (b) Resident Individual  
 (198) (c) 10%, 10 lakhs  
 (199) (b) Securities  
 (200) (d) 147  
 (201) (b) 15  
 (202) (c) 10%  
 (203) (b) 25  
 (204) (a) Resident and ordinarily resident  
 (205) (b) Loss from house property  
 (206) (d) Rs.60,000  
 (207) (c) Rs.2,00,000  
 (208) (b) 01.04.2001  
 (209) (a) Rs.12,000 (1%)  
 (210) (a) 2,000  
 (211) (c) 25%  
 (212) (b) 35.88%  
 (213) (d) Rs. 1,80,000  
 (214) (a) 5 years  
 (215) (b) 20.8  
 (216) (c) the amount recorded in the books of the firm  
 (217) (a) 50  
 (218) (b) 50,000  
 (219) (d) 50,000  
 (220) (c) 6,80,000  
 (221) (d) 42,000  
 (222) (a) 93,000  
 (223) (d) 10%  
 (224) (d) 4,20,000  
 (225) (c) 40,000  
 (226) (c) 24 months  
 (227) (a) 30.09.2019  
 (228) (d) 1,00,000  
 (229) (c) 8,320  
 (230) (c) @ 30% by the company

**(II) Match the following in Column I with the appropriate in Column II:****1. Match the following:**

	Column I		Column II
i.	Section 87A	A	Rs. 5,000
ii.	Section 80 GG	B	Rs. 3,500 or Actual Tax (w.e.i)
iii.	Sukanya Samrudhi Scheme	C	Rs. 1,500
iv.	Minor Child exemption	D	30% of deduction
v.	Arrears of rent	E	Section 80C

**2. Match the following:**

	Column I		Column II
i.	Contribution of Rs. 8,000 in cash by a company to a political party.	A	Allowed as deduction in computing business income.
ii.	Commodity Transaction Tax	B	Income from other sources.
iii.	Forfeiture of advance received for transfer of capital asset.	C	Not eligible for deduction under Section 80 GGB
iv.	Interest from Sukanya Samrudhi Account.	D	Allowed only on payment basis
v.	Amount payable to the Indian Railway for use of railways asset.	E	Not included in total income

**3. Match the following:**

	Column I		Column II
i.	Winnings from lotteries	A	Covered u/s 14A
ii.	Resident Foreign Company	B	Central Board of Direct Taxes
iii.	Cultivation Expenses	C	Taxed @ 30%
iv.	Tax Administration	D	Sec 139 (1)
v.	Return of Loss	E	Place of effective management
		F	Sec. 139(3)

**4. Match the following:**

	Column I		Column II
i.	Appeal	A	Deduction u/s. 36 (i) (iii)
ii.	Non resident shipping business	B	Deduction u/s. 80 C
iii.	Interest on borrowed capital	C	Twelve months
iv.	Repayment of housing loan	D	Assessing officer
v.	Assessment year	E	7.5% of gross receipts
		F	Tax Tribunal

**5. Match the following:**

	Column I		Column II
i.	Securities Transaction Tax	A	Maximum Limit Rs. 50 lakhs
ii.	Contribution of Employer to Pension Fund of Central Government	B	Includible as salary income of employee
iii.	Donation in Kind	C	Not deductible while computing income from property
iv.	Ground rent	D	Deductible as business expenditure
v.	Bonds specified in Section 54EC	E	Not eligible for deduction under section 80G

## 6. Match the following:

	Column I		Column II
i.	Rounding of Total Income	A	Sec. 87A
ii.	Failure to apply PAN	B	Sec. 44AA
iii.	Entry No. 46 of State List	C	Sec. 139AA
iv.	Rebate	D	Rs. 10,000 u/s. 272B
v.	Quoting of Aadhar Number	E	Taxes on Agricultural Income
vi.	Scrutiny Assessment	F	Sec. 288B
vii.	ICDSX	G	Sec. 143(3)
viii.	Maintenance of Books of Account	H	30% Plus Surcharge, Education Cess and SHEC
ix.	Rate of TDS on winning from lotteries for Non Resident	I	Contingent Assets
x.	Rounding of Tax	J	Sec. 288A

## 7. Match the following:

	Column I		Column II
i.	Additional depreciation for plant used for more than 180 days	A	40%
ii.	Basic exemption limit of income for resident individual being senior citizen	B	Rs. 3,500
iii.	Rate of tax for LLP	C	Rs. 3,00,000
iv.	Depreciation for computers	D	30%
v.	Exemption in respect of Post Office SB interest	E	20%

## 8. Match the following:

	Column I		Column II
i.	Rate of depreciation on goodwill	A	Rs. 1,50,000
ii.	Tax rate applicable for LLP	B	75%
iii.	Monetary limit of deduction of entertainment allowance of Government employee	C	25%
iv.	% of advance tax payable before 15 <sup>th</sup> December	D	Rs. 5,000
v.	Maximum deduction under Sec. 80C	E	30%

## 9. Match the following:

	Column I		Column II
i.	Securities Transaction Tax	A	Maximum limit of Rs. 50 Lakhs
ii.	Contribution of Employer to Pension Fund of Central Govt.	B	Includible as salary income of employee.
iii.	Donation in kind	C	Not deductible while computing income from property
iv.	Ground Rent	D	Deductible as business expenditure
v.	Bonds specified in Sec. 54EC	E	Not eligible for deduction u/s. 80G

## 10. Match the following:

	Column I		Column II
i.	Sec 288B	A	Determination of residential status
ii.	Sec. 6	B	Capital Gain
ii.	Sec. 10	C	Depreciation

iv.	Sec. 45	D	Rounding off of tax
v.	Sec. 32	E	Exempted Income

## 11. Match the following:

	Column I		Column II
i.	Sec 80	A	Effect of changes in foreign exchange rates
ii.	ICDS VI	B	Compulsory filing of loss returns
iii.	Sec. 80P	C	Zero Coupon Bonds
iv.	Section 59	D	Income of Co-operative Societies
v.	Section 2(48)	E	Profit chargeable to tax

## 12. Match the following:

	Column I		Column II
i.	Return of Income	A	Sec. 140
ii.	Scrutiny Assessment	B	Sec. 140A
iii.	Self-Assessment	C	Sec. 143(1)
iv.	Intimation	D	Sec. 139
v.	Return by whom to be verified	E	Sec. 143(3)

## 13. Match the following:

	Column I		Column II
i.	Sec. 194B	A	5%
ii.	Sec. 194C	B	30%
iii.	Sec. 194H	C	1%
iv.	Sec. 194A	D	20%
v.	Sec. 194E	E	10%

## 14. Match the following:

	Column I		Column II
i.	Sec. 194B	A	Rs. 15,000
ii.	Sec. 194C	B	Rs. 5,000
iii.	Sec. 194H	C	Rs. 30,000
iv.	Sec. 194A	D	Rs. 10,000
v.	Sec. 194J	E	Rs. 1,00,000

## 15. Match the following:

	Column I		Column II
i.	Non speculative business loss	A	Rs. 1,50,000
ii.	Loss under the Head Income from House Property	B	Rs. 15,000
iii.	Deduction u/s. 80C	C	Rs. 10,000
iv.	Deduction on receipt of family pension	D	8 Years
v.	Deduction u/s. 80TTA	E	Rs. 2,00,000

## 16. Match the following:

	Column I		Column II
i.	Alternate minimum tax	A	Section 44AD
ii.	Return by whom to be verified	B	Section 263

iii.	Revision by Commissioner	C	Section 140
iv.	Presumptive tax	D	Section 80EE
v.	Rs. 50,000	E	Section 115JC

**17. Match the following:**

	Column I		Column II
i.	Depreciation on patents	A	40%
ii.	Amount received by an individual as a loan in a reverse mortgage	B	Valuation of Inventories
iii.	Interest to partner on capital	C	25%
iv.	Depreciation on solar power generating system.	D	Exempted, since there is no transfer.
v.	ICDS II	E	Allowed upto 12% p.a.

**18. Match the following:**

	Column I		Column II
i.	ICDS IX	A	Quoting of Aadhar Number
ii.	Section 139 AA	B	Rs. 1500 per child u/s. 10 (32)
iii.	Minor son / daughter clubbing	C	Borrowing cost
iv.	Sec. 45 (2)	D	Exempted from tax u/s. 10 (17)
v.	Any allowance received by MP / MLA	E	Conversion of capital asset into stock in trade.

**19. Match the following:**

	Column I		Column II
i.	Threshold limit for TDS deduction on commission / brokerage under section 194H.	A	Rs. 18,000
ii.	Rate of tax on royalty from registered patent in India.	B	Rs. 2,000
iii.	Rate of tax deduction at source for participating in a Television channel game show in case of residents.	C	10%
iv.	Cash donation exceeding this amount is not admissible under section 80G.	D	30%
v.	Taxable amount where enhanced compensation of Rs. 36,000 has been received.	E	Rs. 15,000

**Answer Key:****Ans:1**

- (i) B
- (ii) A
- (iii) E
- (iv) C
- (v) D

**Ans:2**

- (i) C
- (ii) A
- (iii) B
- (iv) E
- (v) D

**Ans:3**

- (i) C
- (ii) E
- (iii) A

- (iv) B
- (v) F

**Ans:4**

- (i) F
- (ii) E
- (iii) A
- (iv) B
- (v) C

**Ans:5**

- (i) D
- (ii) B
- (iii) E
- (iv) C
- (v) A

**Ans:6**

- (i) J
- (ii) D
- (iii) E
- (iv) A
- (v) C
- (vi) G
- (vii) I
- (viii) B
- (ix) H
- (x) F

**Ans:7**

- (i) E
- (ii) C
- (iii) D
- (iv) A
- (v) B

**Ans:8**

- (i) C
- (ii) E
- (iii) D
- (iv) A
- (v) B

**Ans:9**

- (i) D
- (ii) B
- (iii) E
- (iv) C
- (v) A

**Ans:10**

- (i) D
- (ii) A
- (iii) E
- (iv) B
- (v) C

**Ans:11**

- (i) B
- (ii) A
- (iii) D

- (iv) E
- (v) C

**Ans: 12**

- (i) D
- (ii) E
- (iii) B
- (iv) C
- (v) A

**Ans: 13**

- (i) B
- (ii) C
- (iii) A
- (iv) E
- (v) D

**Ans: 14**

- (i) D
- (ii) E
- (iii) A
- (iv) B
- (v) C

**Ans: 15**

- (i) D
- (ii) E
- (iii) A
- (iv) B
- (v) C

**Ans: 16**

- (i) E
- (ii) C
- (iii) B
- (iv) A
- (v) D

**Ans: 17**

- (i) C
- (ii) D
- (iii) E
- (iv) A
- (v) B

**Ans: 18**

- (i) C
- (ii) A
- (iii) B
- (iv) E
- (v) D

**Ans: 19**

- (i) E
- (ii) C
- (iii) D
- (iv) B
- (v) A

**(III) State whether the following are 'True' or 'False':**

1. An Indian company is always resident in India.
2. Salary received by a member of Parliament is exempt.
3. Income of a self-occupied property cannot be negative.
4. Preliminary expenditure are allowed deduction in 10 equal instalments.
5. Capital gain arises from the transfer of any capital asset.
6. A trust shall be considered as charitable trust irrespective of its quantum of commercial activities during the previous years.
7. Periodical pension received by government employee is exempt u/s 10 (10A).
8. Zero coupon bonds are considered to be short term capital asset if they are held upto 12 months, though they are not listed.
9. Conversion of proprietary firm into a partnership firm is not considered as transfer under capital gains.
10. Unabsorbed depreciation is carried forward even if return is not submitted within due date.
11. Deduction u/s 80C is allowed from long term capital gain u/s 112.
12. Rebate u/s 87A is not available to a resident individual, aged 80.
13. If a karta is resident in India, his HUF will also become resident in India.
14. TDS for winning from lotteries is mandatory irrespective of the amount of winning.
15. A firm not having business income can claim exemption from payment of advance tax u/s 207.
16. TDS on commission or brokerage is levied when the amount exceeds Rs. 15,000.
17. Tax to be collected at source in case of sale of any goods (other than bullion and jewellery) or providing of service exceeding Rs. 1,00,000.
18. Circulars and classification are issued by the central government.
19. Provision of Section 44AE is not applicable in case the assessee owns more than 10 goods carriage or where he declares lower profits and gains than the profit and gains specified in section 44AE.
20. Refund of income tax is not income as it was not allowed as deduction but interest received on refund will be treated as income.
21. The Finance Act has amended so as to exclude Deposit Certificates issued under Gold Monetization scheme, 2015 notified by Central Government from the definition of capital assets and thereby has exempted it from capital gain tax.
22. The term hearing as per section 2(23C) excludes communication of data and documents through electronic mode.
23. The amount of tax, interest, penalty, fine or any other sum payable, and the amount of refund due, under the provisions of the Income tax Act shall be rounded off to the nearest multiple of ten rupees.
24. Contingent income is not income. Until the contingency has happened it cannot be postulated that income has accrued or has arisen to the assessee.
25. Fair rent is the rent which a similar property can fetch in the same or similar locality, if it is let for a year.
26. Share of a private limited company held for 15 months before its sale is a long-term capital asset.
27. A return of income filed without payment of self-assessment tax is a defective return.
28. Profit from growing and manufacturing tea in India is fully exempted from income tax under section 10 (1) of the Income-tax Act.
29. Tax is required to be deducted at source from salary at the time of payment and not at the time of crediting salary to the account of the employee.
30. Capital gain arising from compulsory acquisition of a property under law is taxable in the year of receipt of compensation or part thereof.
31. Salary received by the partner from the firm in which he is a partner is taxable under the head salary.
32. Gross Annual Value of a property cannot exceed rent as per the Rent Control Act.
33. Depreciation is allowed as deduction u/s. 32 in case of registered owner only.
34. Loss can be set off only by the assessee who has incurred the loss.

35. Benefit of indexation is not available in case of Capital Indexed Bonds for computation of long term capital gain.
36. There is no capital gain on the transfer of self generated asset being goodwill of a profession.
37. Loss cannot be set off against clubbed income.
38. Expenditure relating to corporate social responsibility shall be allowed as deduction u/s. 37(1).
39. "Project Allowance" is taxable as "Profits in lieu of Salary".
40. Gross Annual Value of a Property can be negative.
41. Every person shall intimate the Assessing Officer (A.O), in the prescribed manner, any change in his address or in the name & nature of his business on his business on the basis of PAN allotted to him.
42. The provision of Alternate Minimum Tax (AMT) shall not apply to an individual or an AOP or a BOI, whether incorporated or not, or an artificial judicial person, if the adjusted total income of such person doesn't exceed Rs. 20 lakh.
43. ICDS-1 stands for valuation of inventory.
44. A return furnished without paying self-assessment tax and interest, if any shall be treated as defective return.
45. Apart from TDS another device applied for quicker collection of tax is Tax collection at source (TCS) u/s 141.
46. Deduction in respect of interest on loan taken for education is covered under section 80U.
47. Unabsorbed business loss cannot be carried for more than 7 assessment year.
48. Unabsorbed depreciation can be carried forward for any number of the years.
49. A person is deemed to have substantial interest in a company if he is the owner of at least 51% of equity capital of the company.
50. Long term capital gain on sale of equity share through stock exchange is exempt under section 10(38).
51. Interest on deposit certificates issued under Gold Monetization Scheme, 2015 is exempt from tax.
52. The monetary limit of Rs. 5 lakhs in respect of gratuity received by an employee covered by Payment of Gratuity Act, 1972 is exempt from tax.
53. Medical insurance premium paid by son for parents who are senior citizens is deductible upto a maximum of Rs. 35,000.
54. In order to avail carry forward loss from house property, the return of income must be filed before the due date specified in Section 139(3).
55. 30% of the additional employee cost incurred by the employer is deductible under Section 80JJAA.
56. Where a person does basic operations in lands and later sells the saplings grown by him in a nursery owned by him, the same will be agricultural income. If the basic operations are not done by the assessee and the saplings are sold in his nursery, the same will still be regarded as agricultural income.
57. Short-term capital gains arising from sale of listed shares through a recognized stock exchange, for which security transaction tax has been paid, will be charged to tax at a concessional rate of 15%.
58. Tax is required to be deducted at source from salary at the time of payment and not at the time of crediting salary to the account of the employee.
59. Capital gain arising from compulsory acquisition of a property under law is taxable in the year of receipt of compensation or part thereof.
60. It is not possible to have negative income under the head 'income from house property'.
61. Loss in speculation as well as non-speculation business can be carried forward to a maximum of four consecutive assessment years immediately succeeding the assessment year for which loss was first computed.
62. Allowances paid by any employer outside India would be wholly exempted from income tax.
63. Prize given to Suresh by the Government of Madhya Pradesh on account of higher crop yield is an agricultural income.
64. Voluntary contribution received by electoral trust shall be exempt in all cases.

65. A partnership firm incurring loss need not to file return of income.
66. Any income derived from land situated in India is agricultural income.
67. Allowances payable to Central Government employees for serving outside India is exempt.
68. Telephone provided to an employee at his residence is a tax-free perquisite.
69. Tax return preparers are employees of income-tax department.
70. Unabsorbed depreciation can be carried forward for a maximum period of eight assessment years.
71. Expenses of purchasing lottery tickets are deducted out of winning from lottery under the head income from other sources.
72. Zero-coupons bonds shall be treated as 'short-term capital asset' if held for more than 12 months but not more than 36 months.
73. The income of minor child will always be included in the income of his/her parents.
74. No tax is required to be deducted from winning from race-horse, if such winning does not exceed Rs. 10,000.
75. Cash gift of Rs. 1,00,000 from uncle's son is not taxable.
76. Indexation of cost of acquisition is necessary for short term capital gain.
77. A firm resident in India having total income of Rs. 1,46,000/- is eligible to claim deduction u/s 80D.
78. Income arising from the accretion of transferred property shall not be clubbed.
79. Loss on account of owning and maintaining race horses can be carried forward upto 8 assessment years.
80. For adjusting brought forward business loss with current year business income, one of the conditions is that such business must be continued during the current year.
81. Leave encashment received while in service is taxable.
82. Reasonable expected rent cannot exceed standard rent.
83. All incomes that accrue to a minor child will be included in the total income of that parent whose total income is greater.
84. Caution money forfeited by the assessee is taxable in the year of forfeiture under the head capital gains.
85. Paintings are not considered as personal effects in the context of "capital asset" definition.
86. In the hands of a manufacturer, factory building newly constructed is not eligible for additional depreciation.
87. Income from assets acquired by spouse out of pin money or household savings is not subject to clubbing.
88. Cost of self-generated goodwill of business is deemed to be Nil.
89. Reimbursement of ordinary medical expenses by the employer is fully exempted.
90. Where capital gain arises to an individual from the transfer of a capital asset, being immovable property under a joint development agreement, the capital gain is chargeable to tax in the previous year in which the certificate of completion for whole or part of the project is issued by the competent authority.
91. In order to avail carry forward of unabsorbed depreciation, the assessee must furnish the return of income within the due date specified in section 139(1).
92. In order to claim exemption under section 54B, the agricultural land, which is transferred, must have been used by the assessee or his parents for at least 3 years prior to the date of transfer.
93. In applicable situations of TDS, such TDS is to be deducted on amount including GST component.
94. Contribution made to political party by way of cash to the extent of Rs. 10,000 is allowed as business expenditure.
95. Interest on normal compensation/enhanced compensation is fully chargeable to tax in the year of receipt.
96. Long-term capital gain arising from sale of listed shares (STT paid) is not fully exempted from tax.
97. Income from sale of seeds derived from a nursery adjacent to agricultural lands is an agricultural income.

98. Cash gift of Rs. 1,00,000 received from uncle's son by a resident individual is taxable as income from other sources.
99. A firm, resident in India, having total income of Rs. 1,46,000 is eligible to claim deduction u/s 80D.
100. For adjusting brought forward business loss with current year business income, one of the conditions is that such business must be continued during the current year.

**Answer Key:**

1. True
2. False
3. False
4. False
5. True
6. True
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99. False
100. False

**(IV) Fill in the blanks:**

1. In case of an Indian citizen who leaves India during the previous year for employment outside India, the period of 60 days shall be substituted by \_\_\_\_ days.
2. Scholarship received by a student was Rs. 2,000 p.m. He spends Rs. 16,000 for meeting the cost of education. The Balance Rs. 8,000 is \_\_\_\_\_.
3. Generally, income is taxable under the head, house property only when the assessee is the \_\_\_\_\_ of such house property.
4. Salary, bonus, commission or remuneration due to or received by a working partner from the firm is taxable under the head \_\_\_\_\_.
5. Period for holding bonus shares or any other financial asset without any payment shall be reckoned from the date of \_\_\_\_\_.
6. The maximum amount deductible under Section 80GG in respect of house rent paid by a self-employed individual is Rs. \_\_\_\_\_ per month.
7. The loss from activity of owning and maintaining race horses can be carried forward for \_\_\_\_ assessment years, immediately succeeding the assessment year for which loss was first computed.
8. In order to qualify as long-term capital assets, shares of a private limited company should be held for more than \_\_\_\_ months immediately before transfer.
9. In case of under-reporting of income, the assessee is liable to penalty under Section 270A for an amount equal to \_\_\_\_ of tax payable on under-reported income.
10. The amount of standard deduction available in respect of family pension received by the legal heir of the deceased is  $33\frac{1}{3}\%$  of such pension or \_\_\_\_\_ whichever is less.
11. When a trader opts for presumptive income determination u/s. 44AD, advance tax is payable on or before \_\_\_\_\_ of the previous year.
12. Irrespective of the period of holding of asset, profit arising to a block of depreciable asset from transfer of such asset is always taxed as \_\_\_\_\_ capital gain.
13. The due date for filing return of income for Assessment Year 2017-18 of a company, which is required to obtain a report under Section 92E in respect of specified domestic transactions is \_\_\_\_\_.
14. Amount received by a member of a HUF as his share from the income of the HUF is \_\_\_\_\_ (included/not included) in his total income.
15. Mr. X gifted Rs. 1 lakh to his wife, Mrs. X who invested such sum in a business. The business suffered a loss of Rs. 20,000. Such loss \_\_\_\_ (can/cannot) be set off against eligible income of Mr. X.
16. Rebate u/s 87A is allowed up to \_\_\_\_\_.
17. Dividend from a domestic company is exempted up to \_\_\_\_\_ in case of a person other than an individual/HUF/Firm.
18. Securities Transaction Tax is \_\_\_\_\_ (deductible/ not deductible) while computing capital gain.
19. Interest on enhanced compensation is taxable after deduction at the rate of \_\_\_\_\_.
20. Advance tax is not required if the amount of tax payable is \_\_\_\_\_.
21. Surcharge is payable @ \_\_\_\_ by individuals, if the total income exceeds one crore.
22. Payment from National Pension System Trust on closure of account is exempt upto \_\_\_\_\_.
23. Capital expenditure for promoting family planning amongst employees is \_\_\_\_\_ (allowed/not allowed) deduction in case of corporate assessee.
24. Recovery of unrealized rent is taxable in the year of receipt after allowing \_\_\_\_\_.
25. Belated return should be submitted before the \_\_\_\_\_ or before the completion of assessment, whichever is earlier.
26. Total Income of Mr. Pankaj aged 30 is Rs. 7,26,500. His tax liability for assessment year 2017-18 is \_\_\_\_\_.
27. The obligation to pay advance tax arises in every case where the advance tax payable is \_\_\_\_\_ or more.
28. Deduction in respect of interest on loan taken from financial institutions for residential house property, if certain conditions are satisfied is limited to maximum of \_\_\_\_\_.
29. The rate of TDS if pan is not provided is \_\_\_\_\_.
30. Dividend in aggregate exceeding \_\_\_\_\_ received by certain persons to be taxed at the special rate of 10%.

31. Rebate u/s 87A is allowed \_\_\_\_\_ to an Individual who is resident in India and whose income does not exceed Rs. 3,50,000.
32. TDS rate for payment in respect of NSS deposit is \_\_\_\_\_.
33. Employer contribution to the superannuation fund shall be tax free perquisite upto \_\_\_\_\_.
34. Assessee engaged in business of generation or transmission or distribution of power shall be allowed additional depreciation at the rate of \_\_\_\_\_.
35. Standard deduction \_\_\_\_\_ is allowed from such arrear of rent or unrealised rent.
36. The maximum amount deductible under section 80 TTA in respect of interest on savings bank account is \_\_\_\_\_.
37. Monetary limit for exemption in the case of encashment of earned leave on superannuation received by private sector employees is \_\_\_\_\_.
38. When unrealized rent of 50,000 in respect of a let-out property is realized subsequently, the amount liable to tax would be \_\_\_\_\_.
39. Interest on enhanced compensation received by Mr. A, a resident individual is Rs. 4,00,000 of which 75% pertains to earlier financial years. The amount of such interest to be included in the total income under the head 'income from other sources' is \_\_\_\_\_.
40. Medical expenditure of 40,000 was incurred by Mr. A on his mother (being a senior citizen). The amount eligible for deduction under section 80D would be \_\_\_\_\_.
41. Assessee's own contribution to the National Pension Scheme is eligible for a maximum deduction of \_\_\_\_\_.
42. Any payment received from an account opened under Sukanya Samridhi Account Rules, 2014 is \_\_\_\_\_.
43. A charitable trust in order to be eligible for exemption under section 11 must not have more than \_\_\_\_\_ of aggregate receipts from any activity in the nature of trade, commerce or business.
44. The amount of deduction towards health insurance premium paid by an individual (not being a senior citizen) is limited to \_\_\_\_\_.
45. Fee under section 234E for delay in filing of quarterly TDS/TCS return is \_\_\_\_\_ per day.
46. Periodical pension received by a Government employee is \_\_\_\_\_.
47. Cost of acquisition of self-generated capital asset, being route permit shall be \_\_\_\_\_.
48. Loss from house property cannot be adjusted from \_\_\_\_\_.
49. Belated return of income \_\_\_\_\_ (can/cannot) be revised.
50. Interest on capital borrowed for repairs of let-out property is deductible on \_\_\_\_\_ (accrual/payment) basis.
51. Interest on capital borrowed for repairs of self-occupied property is deductible upto a maximum of \_\_\_\_\_.
52. Shares given to the employee free of cost under ESOP is taxable if he is \_\_\_\_\_ (specified/non-specified/either specified or non-specified).
53. Cost of improvement of self-generated capital asset, being tenancy right shall be \_\_\_\_\_.
54. Loss from owning and maintaining the race camels can be carried forward for a maximum of \_\_\_\_\_ assessment years.
55. The due date of filing the return of income of a charitable trust which is claiming exemption u/s. 12AA is \_\_\_\_\_.
56. Rs. 2,00,000 is paid towards Life Insurance Premium, Public Provident Fund and NSC IX out of agricultural income of an individual. Deduction available u/s 80C of IT Act. 1961 is \_\_\_\_\_.
57. A foreign company will become resident in India if its \_\_\_\_\_ during the relevant previous year is in India.
58. Income of a charitable trust by way of forfeiture of exemption is chargeable to tax at the rate of \_\_\_\_\_.
59. Employer's contribution to National Pension Scheme is deductible upto \_\_\_\_\_ U/s 36 (1) (iva).
60. Obligation to furnish Annual Information Return by a banking company will arise if a person deposits \_\_\_\_\_ in cash in any savings bank account during the year.
61. Income by way of interest on fixed deposits in the name of a minor married daughter \_\_\_\_\_ (will/will not) be clubbed in the hands of her parents.

62. General public utility shall be deemed charitable purpose if income from the activity in the nature of trade or commerce does not exceeds \_\_\_\_ of total receipts of the trust during the previous year.
63. Rs. 50,000 is paid towards medical insurance premium out of agricultural income of an individual. Deduction available u/s 80D of IT Act, 1961 is \_\_\_\_
64. Contribution by the employer towards approved superannuation fund is not taxable upto \_\_\_\_\_ in the hands of employees.
65. Notice u/s 148 in respect of assessment relating to any asset located outside India can be issued within a period of \_\_\_\_\_ from the end of relevant assessment year.
66. Failure to apply for PAN or to quote PAN in prescribed documents attracts penalty of \_\_\_\_\_ u/s 272B.
67. \_\_\_\_\_ means the transfer of one or more undertaking for a lump sum consideration without assigning values to the individual assets and liabilities in such sales.
68. \_\_\_\_\_ on sale of equity share through stock exchange is exempt u/s 10(38).
69. \_\_\_\_\_ is available for donations made to Research Associations.
70. Form \_\_\_\_\_ is to be used for filling the return of income by an individual having business income.
71. The maximum limit for deduction u/s 80TTA is \_\_\_\_\_.
72. Salary forgone is \_\_\_\_\_ in computing the income from salaries in the hands of the concerned employee.
73. \_\_\_\_\_ Company means a company which is not a domestic company.
74. When a director of a company received 30 lakhs by way of non-compete fee, it is taxable under the head \_\_\_\_\_
75. When unrealized rent is received based on court decree but at the time of receipt the property was not owned by the assessee, it is taxable under the head \_\_\_\_\_
76. When Mr. Ashwin received Rs. 20,000 as scholarship for meeting the cost of education it is \_\_\_\_\_
77. The Income Computation Disclosure Standards (ICDS) will apply only when the assessee adopts \_\_\_\_\_ method of accounting.
78. Speculation loss can be carried forward for a maximum period of \_\_ years after the year of such loss.
79. When an Indian citizen leaves India for the purpose of employment his residential status is resident and ordinarily resident if he had stayed in India during the year for \_\_\_ days during that previous year.
80. Transport allowance for the purpose of commuting between the place of residence and place of duty is exempt upto \_\_\_\_\_ in the case of an employee who is blind or deaf and dumb.
81. When tax is not deducted at source \_\_\_\_ of expenditure is liable for disallowance under Section 40(a) (ia).
82. When a company pays commission of Rs. 30,000 to a person in March, 2017, it has to deduct tax at source @ \_\_\_\_ .
83. An educational institution existing solely for education is exempt from tax when the aggregate annual receipt does not exceed \_\_\_\_\_.
84. Royalty received for a patent is eligible for deduction under Section 80RRB upto \_\_\_\_\_
85. When a professional has aggregate fee receipt of Rs. 30 lakhs his presumptive income under Section 44ADA shall be \_\_\_\_\_
86. Electoral trust must distribute \_\_\_\_ of donation received by it during the year.
87. Expenditure on amalgamation or demerger is eligible for amortization in \_\_ annual instalments under Section 35DD.
88. The monetary limit for deduction in respect of family pension is \_\_\_\_\_
89. The maximum amount deductible u/s 80 TTA in respect of interest on savings bank account is \_\_\_\_\_
90. When unrealized rent of Rs. 50,000 in respect of a let-out property is realized subsequently, the amount liable to tax would be \_\_\_\_\_
91. A foreign company is liable to surcharge at 5%, if the total income exceeds \_\_\_\_\_.
92. A Zerocoupon bond is a long-term capital asset, if it is held for more than \_\_\_ months before transfer.

93. Maximum amount of exemption under section 10(10C) of the Income-tax Act in respect of compensation received for voluntary retirement is \_\_\_\_\_.
94. Mr. A, a senior citizen, has total income of Rs. 8 lacs, earned by way of interest from secured debentures. The advance tax payable by him is \_\_\_\_\_.
95. A partnership firm will be treated as non-resident, only if the \_\_\_\_\_ of the control and management of its affairs is situated outside India.
96. An employee of a partnership firm is treated as "specified employee" if the income under the head "Salaries", excluding non-monetary perquisites exceeds \_\_\_\_\_.
97. The maximum amount of retrenchment compensation exempt u/s 10 (10B) in the hands of a person, when received from a private scheme not approved by the Board, is \_\_\_\_\_.
98. In the case of a payee not having PAN for whom tax is to be deducted at source u/s 194A, the rate applicable is \_\_\_\_\_.
99. Interest payable to a partner by a firm shall not exceed \_\_\_\_\_ (18% /12%) per annum.
100. Chapter VI-A deduction \_\_\_\_\_ (shall/shall not) be allowed in respect of income from long term capital gain.
101. Salary received by Mr. P a foreign national and a non resident outside India for services rendered in India for 150 days is \_\_\_\_\_ (chargeable/not chargeable) to tax in India.
102. Deduction for provision for bad and doubtful debts made by a NBFC is allowed upto \_\_\_\_\_ of total income before allowing such deduction and deduction under chapter VIA.
103. Z awarded three contracts for repair work of Rs. 21,000, Rs. 23,000 and Rs. 30,000 respectively to L Ltd. Z is \_\_\_\_\_ (required/ not required) to deduct tax at source u/s 194C.
104. In case of slump sale of any undertaking indexation benefit is \_\_\_\_\_ (allowed/not allowed) for the purpose of computation of capital gain.
105. Amount received under Keyman Insurance Policy including bonus thereon is \_\_\_\_\_ (income/exempted income) under the Income-tax Act, 1961.
106. Exemption u/s. 10(32) in respect of income of minor child included in the hands of assessee under Section 64(1A) is restricted to \_\_\_\_\_ per child.
107. Deposit in public provident fund in the name of minor child is \_\_\_\_\_ u/s 80C in the hands of contributing parent.
108. An individual can avail the benefit of exemption in respect of leave travel concession offered by his employer \_\_\_\_\_ in a block of four years.
109. Amount recovered by an employer from the employees towards the latter's share of provident fund contribution is \_\_\_\_\_ of the assessee-employer.
110. Loss from non-speculation business \_\_\_\_\_ be set off against profits derived from speculation business.
111. Salary foregone is \_\_\_\_\_ in computing the income from salaries in the hands of the concerned employee.
112. The monetary ceiling limit for exemption for gratuity received under the Payment of Gratuity Act, 1972 is \_\_\_\_\_.
113. Fixed medical allowance of Rs. 2,000 per month paid by an employer is \_\_\_\_\_ in the hands of the employee.
114. Interest received on delayed payment of enhanced compensation shall be deemed to be \_\_\_\_\_ (income/ not an income /interest relating to the concerned year alone is income) of the year in which it is received.
115. Gift received from a trust registered under section 12AA is \_\_\_\_\_ (included/not included) in the taxable income of an individual.
116. Any sum paid on account of income tax is \_\_\_\_\_ (deductible/not deductible) while computing from other sources.
117. Dividend received from a company having only agricultural income is \_\_\_\_\_ (agricultural income /non- agricultural income/50% taxable) in the hands of its shareholder.
118. There are two schools of Hindu Law, one is Mitakshara and the other is \_\_\_\_\_.
119. The depreciation allowable in respect of an asset used for the purpose of business for less than 180 days shall be restricted to \_\_\_\_\_ (50%/25%/75%) of the normal rate of depreciation.
120. The Alternate Minimum Rate u/s 115JC shall be \_\_\_\_\_ of adjusted total income [Basic rate excluding surcharge, education cess, etc.]

121. Unabsorbed loss under the head 'Capital gains' shall be carried forward for a period of \_\_\_ assessment years immediately following the assessment year in which such loss was incurred.
122. Loss from gambling \_\_\_\_\_ (can /cannot) be carried forward and set off in subsequent years under profits from gambling.
123. On 30.3.2018, Mr. Nathan acquired a building for Rs. 10,00,000 when the State stamp valuation authority adopted Rs. 10,25,000 for stamp duty purpose. The amount taxable in the hands of Mr. Nathan u/s 56(2) will be \_\_\_\_\_.
124. The due date for filing return of income u/s 139(1) in the case of individual assessee having turnover above Rs. 200 lakhs is \_\_\_\_\_.
125. Salary paid to a working partner of a firm is chargeable to income-tax in the hands of such partner under the head \_\_\_\_\_.
126. Total tax payable on a lottery income of Rs. 3,00,000 as per section 115BB is \_\_\_\_\_.
127. Payment of education loan, \_\_\_\_\_ (principal/interest) is deductible under section 80E.
128. Claim of depreciation is \_\_\_\_\_ (mandatory/optional) while computing business income of the assessee.
129. Advance tax is payable in \_\_\_ instalments by a non-corporate assessee.
130. Interest on refund on Income-tax paid in excess is a \_\_\_\_\_ receipt.
131. Amount received towards permission for putting up hoarding at the top of the building is taxable under the head \_\_\_\_\_.
132. Mr. A holds 25% of the equity shares in LMN Ltd., a listed company. He has borrowed a sum of Rs. 10 lakhs from this company on 21.03.2018. As on this date, the accumulated profits and free reserves are Rs. 8 lakhs. The deemed dividend taxable u/s 2(22) (e) of the Income Tax Act, 1961 is \_\_\_ (8,00,000 / 10,00,000 / Nil).
133. Compensation received from an insurer on account of damage to the crops is an \_\_\_\_\_ income.
134. Receipts from TV serial shooting in farm house \_\_\_ agricultural income.
135. The cost of acquisition of 100 bonus shares, where the original shares (100 nos.) were acquired for Rs. 30,000 is \_\_\_\_\_.
136. A person owns 4 heavy goods vehicles. His estimated annual income u/s 44AE is \_\_\_\_\_.
137. The rate of depreciation on general plant and machinery is \_\_\_ and on computer is \_\_\_\_\_.
138. \_\_\_\_\_ is a non-recurring expenditure whereas \_\_\_\_\_ is normally a recurring one.
139. Depreciation on an asset purchased and kept as standby will be allowed in spite of the same has not been put to use as it has \_\_\_\_\_ (passive/active) use by the assessee during the year.
140. According to section 40A(3), where the assessee incurs any expenditure in respect of which payment is made in a sum exceeding \_\_\_\_\_ otherwise than by a crossed cheque or crossed bank draft, \_\_\_ percent of such expenditure shall not be allowed as a deduction.
141. Unabsorbed depreciation shall be allowed to be carried forward for any number of years and such carried forward unabsorbed depreciation may be set off against any income, other than \_\_\_\_\_.
142. Income referred to in sec. 68 to sec. 69D shall be taxable @ \_\_\_\_\_. (Excluding SC and Cess)
143. \_\_\_\_\_ received by an electoral trust shall be exempted.
144. Income from sub-letting of a house property by a salaried employee is taxable under the head \_\_\_\_\_.
145. The total income computed will have to be rounded off to the nearest multiple of Rs. \_\_\_\_\_.
146. Domestic company means a/an \_\_\_\_\_ company.
147. Additional depreciation on factory building for Rs. 30 lakhs, acquired by a manufacturer on 1st Dec, 2017 is \_\_\_\_\_.
148. Unabsorbed depreciation can be carried forward for \_\_\_\_\_ years.
149. An assessee, who receives leave encashment during continuation of his service, can also claim \_\_\_\_\_.
150. Payment of royalty to a person resident in India requires deduction of tax at source at the rate of \_\_\_\_\_.
151. The amount of wages paid to eligible new workmen by an assessee engaged in non-seasonal manufacturing activity is deductible u/s 80JAA @ \_\_\_ of the wages so paid.

152. An expenditure, for which cash payment is made for a sum exceeding \_\_\_\_\_ on a single day is disallowed.
153. If a return of income is not furnished within the due date prescribed in section 139(1), such return can be filed on or before \_\_\_\_\_, provided the assessment is not completed.
154. Maximum amount of exemption under section 10(10C) in respect of compensation received for voluntary retirement is \_\_\_\_\_.
155. A resident Indian aged 62, who has received interest of Rs. 12,000 from savings bank account and Rs. 43,000 as interest on bank fixed deposits, is eligible to a deduction of \_\_\_\_\_ from his gross total income.
156. Daily allowance received by a member of parliament is \_\_\_\_\_.
157. An expenditure, for which cash payment is made for a sum exceeding \_\_\_\_\_ on a single day is disallowed u/s 40A(3).
158. If a return of income for the AY 2019-20 is not filed within the due date prescribed in section 139(1), such return can be filed on or before \_\_\_\_\_ provided assessment is not completed.
159. Maximum amount of exemption under section 10(10C) in respect of compensation received for voluntary retirement is \_\_\_\_\_.

**Answer Key:**

1. 182 days
2. exempt
3. owner
4. Profits and gains of business or profession
5. Allotment
6. 5,000
7. 4
8. 24
9. 50 %
10. 15,000
11. 15<sup>th</sup> March
12. short term
13. 30<sup>th</sup> Nov
14. not included
15. can
16. 2,500
17. without any limit
18. not deductible
19. 50%
20. less than Rs. 10,000
21. 15%
22. 40%
23. Allowed
24. deduction @ 30%
25. end of assessment year
26. Rs. 72,410
27. Rs. 10,000
28. Rs. 50,000
29. maximum marginal rate
30. 10 lakhs
31. Rs. 2,500
32. 10%
33. Rs. 1,50,000
34. 20%
35. 30%
36. Rs. 10,000
37. Rs. 3,00,000
38. Rs. 50,000
39. Rs. 2,00,000

40. Rs. 30,000
41. Rs. 50,000
42. exempt u/s Section 10(11A)
43. 20%
44. 25,000
45. 200
46. Taxable
47. Nil
48. winnings from lotteries
49. cannot
50. accrual
51. Rs. 30,000.
52. either specified or non-specified
53. actual price
54. 8
55. 30<sup>th</sup> September or 30<sup>th</sup> November as the case may be.
56. 1,50,000
57. Place of effective management
58. Maximum Marginal Rate
59. 10% of salary
60. 10 lakhs or more
61. Will
62. 20%
63. Nil
64. Rs. 1,50,000
65. 16 years
66. Rs. 10,000
67. Slump Sale
68. Long term capital gain
69. Sec. 80 GGA
70. No. 3
71. Rs. 10,000
72. Taxable
73. Foreign
74. PGBP
75. Income from House Property
76. exempt
77. mercantile
78. 4
79. 182
80. Rs. 3,200 pm
81. 30 %
82. 5 %.
83. one crore.
84. Rs. 3,00,000
85. Rs. 15 lakhs
86. 95%
87. 5
88. Rs. 15,000
89. Rs. 10,000.
90. Rs. 35,000
91. Rs. 10 crores
92. 12
93. Rs. 5,00,000.
94. Nil
95. Whole
96. Rs. 50,000
97. Rs. 5,00,000
98. 20%
99. 12%
100. shall not

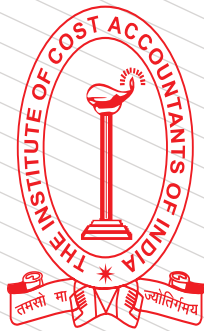
- 101.chargeable
- 102.5 %
- 103.not required
- 104.not allowed
- 105.income
- 106.Rs. 1,500
- 107.deductible
- 108.twice
- 109.income
- 110.can
- 111.taxable
- 112.Rs. 10,00,000
- 113.taxable
- 114.income
- 115.not included
- 116.not deductible
- 117.non-agricultural income
- 118.Dayabhaga
- 119.50%
- 120.18.5%
- 121.8
- 122.cannot
- 123.Nil.
- 124.30<sup>th</sup> Sep of the AY
- 125.Profit and Gains of business or profession
- 126. 90,000 (plus applicable education cess)
- 127.interest
- 128.mandatory
- 129.4
- 130.taxable
- 131.income from other sources
- 132.Nil
- 133.agricultural
- 134.is non
- 135.Nil.
- 136.Rs. 3,60,000
- 137.15%,40%
- 138.Capital Expenses, Revenue Expenses
- 139.passive
- 140.Rs. 10,000, 100
- 141.Income under the head "Salaries", Winning from lotteries, cross word puzzles, etc.
- 142.60%
- 143.Any voluntary contributions
- 144.Income from other sources.
- 145.10
- 146.Indian
- 147.Nil
- 148.any number of
- 149.Relief under Section 89
- 150.10%
- 151.30 %
- 152.10,000
- 153.31<sup>st</sup> March 2020 / end of relevant assessment year
- 154.Rs. 5,00,000
- 155.Rs. 50,000
- 156.exempt
- 157.Rs. 10,000
- 158.31-3-2020
- 159.Rs. 5,00,000







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