Roll No. ……..... **Total Pages: _ _**
Paper ID: GAT002
Course Code: GC-CAT2

Examination (January- 2024)
Certificate Programme in Accounting and Taxation
Semester-1
Basics of Income Taxation

Time Allowed: 2 Hours **Max. Marks: 70**

Instructions for the Students

1. The question paper shall consist of 70 Multiple Choice questions.
2. All questions are compulsory. Each question carries 1 mark.
3. There will be no negative marking.

Q1. Out of the following which expense is not an admissible expense? a) Bad debts b) Sales tax c) Income tax d) Excise duty	Q6. Any profit earned from purchasing and selling standing crop is: a) House property income b) Agriculture income c) Non-agriculture income d) All of these
Q2.Which of the following is considered as agriculture income a) Income from live stock living b) Income from cattle breeding c) Income from juice centre d) Rent received from agriculture land	Q7. Income which accrue or arise outside India from a business controlled from India is taxable in case of a) Resident only b) Both ordinarily resident and non ordinarily resident c) Non-resident d) All of the above
Q3. Income tax is levied on those Individuals a) Whose income is less than exempted limit in any previous year b) Whose income is more than exempted limit in any previous year c) Whose income is upto ₹ 1,00,000 in any previous year d) None of the above	Q8. The daily allowance received by a member of parliament is: a. Exempted b. To be inculded in total income for tax purpose c. Taxable d. None of the above
Q4. Which among of the following is a progressive tax? a) Customs duty b) Development surcharge c) Sales tax d) Income tax	Q9. Which method of depreciation is approved by Income Tax Act: a) Straight line Method b) Written down value method c) Both a & b d) None of the above
Q5. Scholarship received by a student to meet the cost of education is: a) Fully taxable b) Fully exempt c) Casual Income d) None of these	Q10. A citizen of India, who goes abroad for the purpose of employment, must stay in India to become resident at least a) 182 days b) 90 days c) 60 days d) 180 days

Q11.Who is considered a "Person" for the purpose of income tax assessment in India? a) Only individuals b) Only companies c) Individuals, Hindu Undivided Families (HUFs), companies, and others d) Only partnership firms	Q18. Under the head income from house property the basis of charge is: a) Rent received from house property b) Annual value of house property c) Net profit from house property d) None of the above
Q.12. Income tax act 1961 imposed on a) Legal income b) Illegal income c) Both legal and illegal income d) None of this	Q 19. The aggregate value of monetary gift received during the previous year is exempted , if it a. Doesn't exceed 50,000 b. Exceed 50,000 c. Exceed 45,000 d. None of the above
Q.13.Taxable income is determined on the basic of a) Residential status in India b) Citizenship of India c) BPL card holder d) Govt. job holder	Q20. Who has the statutory power to issued notification under income tax act 1961 a. Central board of direct taxes b. Central board of film certification c. Finance department of state d. None of the above
Q.14. Which form is used to file an application for obtaining Permnent Account Number(PAN) by an Indian Resident a) Form 49 B b) Form 49 A c) Form 49 AA d) Form 49	Q. 21 Which type of income is considered for assessment under the head "Income from Salary"? a) Income from business b) Income from house property c) Income from gains or profits of business or profession d) Income from wages, pension, or gratuity
Q.15 Sambalpur university is a) Local authority b) Association of person c) Individual d) Artificial juridical person	Q.22 Previous year is the financial year immediately preceding the a) Assessment Year b) Accounting Year c) All of the above d) None of this
Q16. Which of the following income is exempted from tax? a) Agricultural income b) Sum received by a member from HUF c) Share of profit of a partner from a firm d) All of the above	Q.23.The periodic payment of money for the past service, after the retirement of services is known as a) Pension b) Gratuity c) Leave salary d) None of the Above
Q17. What is the maximum amount of deduction from family pension is… a. 20,000 b. 15,000 c. 25,000 d. None of the above	Q.24.Rebate of Income tax is defined as per section … a) 81A b) 81C c) 87A d) 87C

Q.25.What is the standard deduction allowed for salaried individuals as per the Income Tax Act? a) ₹50,000 b) ₹1,00,000 c) ₹2,50,000 d) 30% of salary	Q.32. If fair rent is not gives, then assume .....as fair rent. a) Actual rent b) Standard rent c) Average rent d) None of the above
Q.26. Rent from House Property let out by an assessee to his employees when such letting is incidental to his main business will be chargeable to tax under head. a) Profit and gain from business and profession b) Income from capital gain c) Income from house property d) All of the above	Q.33. Full form of NSC in deduction from gross total income a) National saving certificate b) National saving circle c) National service commission d) None of the above
Q27 Salary received by a Member of Parliament is taxable under the which head ? a) Income from salary b) Capital gains c) Income from other sources d) None of the Above	Q.34. In the business, Assessee is having stock existing. Then Valuation of stock will be at…..? a) Cost price b) Cost or market price, whichever is less c) Market Price d) None of the Above
Q.28. Education cess is levid in case of a) Individual b) Hindu undivided family c) All assesse d) Company assesse	Q.35. How many types of capital gains are there a) 3 b) 2 c) 4 d) None of the above
Q.29.A Perk is ? a) Facility provided by employer to employee b) Cash paid by employer to employee c) Amount credited to employees d) None of the above	Q.36. Indexation will be done a) Shares b) Debenture c) Other security d) All of the above
Q.30. HRA exempted u/s 10(13A) includes a) 40% of salary if accommodation is situated at Delhi, Mumbai, Chennai, Kolkata b) 60% of salary if accommodation is situated at Delhi, Mumbai, Chennai, Kolkata c) 50% of salary if accommodation is situated at Delhi, Mumbai, Chennai, Kolkata d) None of the Above	Q.37. The net annual value of house let out is ` 1,00,000 and actual amount spent by the assessee on repairs and insurance premium is ` 20,000. The amount of deduction allowed under Section 24(a) shall be . a) 35,000 b) 45,000 c) 30,000 d) 25,000
Q31 Under Section 56(2)(ib) of the Income Tax Act the income arising from winning a crossword puzzle, lottery, or game is taxable at what rate? a) 10% b) 20% c) 30% d) 40%	Q.38 .Speculative business are….. a. Partly taxable b. Fully taxable c. Exempted d. None of the above

Q 39Which ITR form is applicable to individuals and Hindu Undivided Families (HUFs) having income from salary, house property, and income from other sources? a) ITR-1 b) ITR-2 c) ITR-3 d) ITR-4	Q.46 Business included which of the following as per section 2(13) : a) Commerce b) Manufacture c) Trade d) All of the above
Q.40.Cost inflation index before 31st March2001 a) 150 b) 200 c) 100 d) None of the above	Q.47. Chartered accountant is a……. a) Profession b) Vocation c) Business d) None of the above
Q.41. Employer contribution to RPF is Exempted up a) 12% b) 9.5% c) 19% d) 10%	Q 48. The aggregate value of monetary gift received during the previous year is exempted if a. Doesn't exceed 50,000 b. Exceed 50,000 c. Exceed 45,000 b) None of the above
Q.42. Capital assets includes a) Deposit bonds b) Stock in trade c) Shares d) None of the above	Q.49 Which of the following is not considered as income under Section 56(2)of the Income Tax Act? a) Winning from lotteries b) Dividend income c) Income from house property d) Cash received without consideration exceeding ₹50,000
Q.43. Education allowancw is exempted a) Rs. 200 per month up to 4 child b) Rs. 200 per month up to 3 child c) Rs. 100per month up to 2 child d) Rs. 100 per month up to 10 child	Q.50 When annual value of one-self occupied house is nil, the assesses will be entitled to the standard deduction of . a) 10% b) 20% c) Nil d) None of the above
Q.44. Group of assets falling within a class of assets inrespect to tangible and intangible assets is called as …..? a) Set of assets b) Group of assets c) Block of asset d) None of the above	Q.51. A return of income when notified as defective, has to be rectified within a) 30 Days b) The financial year c) 15 Days d) 60 Days
Q.45. While computing the business income, In Which of the following taxes are allowed as deduction a) Sales tax b) Income-tax c) Direct Tax d) All of the above	Q.52. ..... is applicable for foreign citizens for application of allotment of new PAN. a) Form 49C b) Form 49D c) Form 49AA d) Form 49A

Q.53. According to Section 56(2)(x) of the Income Tax Act, any sum of money received by an individual or Hindu Undivided Family (HUF) without consideration, exceeding ₹50,000, is taxable as income. What is the exception to this rule? a) Money received on the occasion of marriage b) Money received from a relative c) Money received as an inheritance d) Money received as a scholarship	Q.59. Which of the following statement is not true ? a) Due to e-filing assesses can view the current status of the return. b) E-filing return is mandatory for resident individual in India whose income exceeds Rs.5 lacs. c) E-filing return is not mandatory for Companies. d) To browse and select the XML file is one of the step of e-filing procedure.
Q.54. Full form of EVC is..... a) Electrical Vocal Code b) Electronic Verified Centre c) Electronic verification code d) Electrical Verified Code	Q.60. What is the full form of CPC ? a) Centralized pre-processed center b) Control Procedure Centre c) Centralized processing Centre d) Central processing control
Q.55. Deduction for other expenses except interest in the computation of income from house property is allowable to the extent of a) 25% of annual value b) 10% of annual value c) 30% of annual value d) 20% of annual value	Q.61. Among which of the following is not a benefit of e-filling ? a) Paper work is increase b) Accuracy is ensured c) Processing of return can be monitored d) All of the above
Q.56. Which of the following perks is exempt from tax up to a certain limit? a) Free meals provided by the employer b) Company car for official and personal use c) Interest-free loans provided by the employer d) Club membership fees paid by the employer	Q.62. In e-filling of income-tax returns, a duly verified ITR-V form should be signed and submitted to CPC within.....days from the date of e-filling. a) 60 b) 90 c) 30 d) 120
Q.57. Calculate the Gross Annual Value from the following details: Municipal Value ` 45,000 Fair rental value ` 50,000 Standard Rent ` 48,000 Actual Rent ` 42,000 a) 50,000 b) 48,000 c) 45,000 d) 42,000	Q.63. Online PAN application can be done on website of a) NSDL b) UTI c) Both A and B d) State Government
Q.58. Provisions of quoting Aadhar number are laid down under section ..... a) 139A b) 49A c) 139AA d) 49AA	Q.64. Full form of ITR is .... a) Income Tax Refund b) Income Tax Return c) Income Tax Remuneration d) Indian Tax Return

Q.65. What is the maximum amount exempted from tax for medical reimbursement provided by the employer? a) ₹10,000 b) ₹15,000 c) ₹20,000 d) ₹25,000	Q.68. Under Section 10(37) of the Income Tax Act, what type of compensation received is exempt from capital gains tax? a) Compensation for loss of job b) Compensation for compulsory acquisition of urban agricultural land c) Compensation for personal injury d) Compensation for breach of contract
Q.66. Under Section 54GB of the Income Tax Act, exemption is provided for long-term capital gains if the proceeds are invested in the shares of a: a) Public Limited Company b) Private Limited Company c) Start-up company d) Partnership firm	Q.69 Under the Income Tax Act, which of the following is a taxable perk? a) Free meals provided during working hours b) Gifts up to ₹5,000 in value c) Employee discounts on company product d) Interest-free or concessional loans
Q.67. What is the maximum amount exempt from tax for the conveyance allowance per month as per the Income Tax Act? a) ₹1,000 b) ₹1,600 c) ₹2,000 d) ₹2,600	Q.70. For deduction u/s 54EC , the individual should invest the whole or part of the capital gains in the specified asserts …. a) Within 6 months from the date of long term capital assets transfer b) Within 3 months from the date of long term capital assets transfer c) Within 12 months from the date of long term capital assets transfer d) None of the above