

SECTION II**[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]****M.Com DEGREE (CSS) PRIVATE EXAMINATION, APRIL 2024**

FF27AF8C

DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN**SECTION II OF THE QUESTION PAPER****CM010302MCQ - INCOME TAX – LAW AND PRACTICE**

Answer **all** questions.

All questions carry equal weight

Put a tick mark [✓] against the correct answer

1. Assessment Year is the period of 12 month commencing on 1st day of:
(a) April every year (b) March every year
(c) January every year (d) July every year
2. As per Section 2(31), the following is not included in the definition of 'Person':
(a) A minor (b) A Local Authority
(c) A company (d) An individual
3. An individual is said to be resident in India, if he satisfies
(a) First basic condition given under section 6(1) (b) Second basic condition given under section 6(1)
(c) Both basic conditions given under section 6(1) (d) Any one of the basic conditions given under section 6(1)
4. Deduction for entertainment allowance from gross salary is allowed only to
(a) Private employees (b) Government employees
(c) Foreign employee (d) All of the above
5. Commuted pension received by employees of Central Government and State Government is:
(a) Fully exempt from tax (b) Fully chargeable from tax
(c) 50% exempt and rest taxable (d) 80% exempt and rest taxable
6. Municipal Taxes paid by the owner can be deducted from

- (a) Gross annual value (b) Net annual value
- (c) Gross total income (d) not deductible
7. Capital asset excludes all assets except
- (a) Stock in trade (b) Personal assets
- (c) Jewellery (d) Rural agricultural land
8. Cost of improvement incurred before 01/04/2001 for the calculation of Capital Gain in all cases.
- (a) Shall be ignored (b) always be considered
- (c) May be considered (d) is based on the discretion of Assessing Officer
9. An interim order in relation to enhanced compensation for a capital asset was passed by court, amount was also received in pursuance of order. Compensation so received shall be taxable
- (a) When the amount is received (b) When final order of the court is passed
- (c) Any of the above (d) None of the above
10. Long term capital gains on zero coupon bonds are chargeable to tax at a rate
- (a) 20% computed after indexation of such bonds (b) 10% computed without indexation of such bonds
- (c) Higher of (a) or (b) (d) Lower of (a) or (b)
11. Income by way of interest on securities is chargeable under the head of
- (a) Business and Profession (b) House Property
- (c) Salary (d) Other Sources
12. Expenses of purchasing lottery tickets are deducted out of winnings from lottery under head income from other sources. Is the statement, true?
- (a) true (b) false
- (c) Partly true (d) None of the above
13. Mr. Vinod transfers income of 51,000 from rent to his major son without transfer of house property. Rent of 51,000 is
- (a) taxable in the hands of the transferor - father (b) taxable in the hands of his son
- (c) taxable in the hands of that parent whose total income is higher (d) exempt from tax
14. If both parents are earning then income of a minor child will be clubbed with

- (a) Income of parent having higher income (b) Proportionately with both parent's incomes
- (c) Income of parent having lower income (d) Will not be clubbed and will be taxable for child
15. Speculation loss can be carried forward for the maximum of:
- (a) 8 assessment years (b) 4 assessment years
- (c) 10 assessment years (d) unlimited number of years
16. Loss from lottery, gambling and card games can be carried forward for
- (a) next 8 assessment year (b) next 4 assessment year
- (c) indefinite period (d) Cannot be carried forward
17. In case of a partner, the share of the profits from the firm shall be:
- (a) Fully taxable as income of PGBP (b) Fully Exempt u/s 10(2A)
- (c) Included in the total income of the partner and relief of income tax shall be allowed (d) Exempt up to 2,50,000
18. Income tax liability is rounded off to:
- (a) Nearest of ten rupees (b) Nearest of one rupee
- (c) Nearest of hundred rupees (d) No rounding off is done
19. Tax liability of an individual whose adjusted total income is more than 20,00,000 shall be
- (a) AMT (b) Normal tax liability
- (c) Lower of (a) or (b) (d) Higher of (a) or (b)
20. Deductions from Gross Total Income are available from the following incomes except:
- (a) Long term capital gains (b) Short term capital gains u/s 111A
- (c) Winnings from lotteries, races, etc. (d) All of the above

No. of MCQ's Attempted :

Weight Scored :

(To be entered by the examiner)

No. of MCQ's not Attempted :

**ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER
WITH THE MAIN ANSWER BOOK**