

SYBAF SEM -III TAXATION-II (DIRECT TAX -I)

Multiple Choice Questions

- 1 Any sum receive or receivable in cash or kind under an agreement for not carrying out an activity in relation to a business is called as _____.
- a Pin Moey
 - b Mutual Activity
 - c No Competition Deal
 - d **Non-compete Agreement**
- 2 _____ is chargeable u/s 45.
- a **Capital Gain**
 - b Profit and Gains
 - c Dividend
 - d Voluntary Contribution
- 3 Milind a foreign national visited India durig previous yeara 2019-20 for 150 days. Earlier to this he never visid India. Milind in this case shall be _____
- a **Resident in India**
 - b Resident and ordinarily resident in India
 - c Not ordinarily resident in India
 - d Non- Resident
- 4 Dividend is exempt in case _____.
- a **It is paid by an Indian company**
 - b It is paid by a foreign company
 - c It is paid by a multinational company
 - d It is paid by a jount venture unit
- 5 Tax borne by the employer on non-moneytary perquisite provided to employee is exempt u/s _____.
- a 10(10C)
 - b **10(10CC)**
 - c 10(10BC)
 - d 10(10CCC)
- 6 Un-commuted pension received by a Government employee is _____.
- a Exempt
 - b **Taxable**
 - c 1/3 is exempt
 - d 1/6 is exempt

- 7 Rajesh who is entitled to salary of ₹ 10,000 p.m. took an advance salary from his employer for the months of April and May 2020, along with salary of March, 2020 on 31-3-2019. The gross salary of Rajesh for the assessment year 2020-21 shall be _____.
- a ₹ 1,20,000
 - b **₹ 1,40,000**
 - c ₹ 20,000
 - d ₹ 1,00,000
- 8 Maximum amount of deduction for entertainment allowance is _____.
- a ₹ 1,500
 - b ₹ 2,500
 - c **₹ 5,000**
 - d ₹ 3,000
- 9 Unadjusted loss from house property can be carried forward & set off in subsequent years subject to limit of _____.
- a 7 years
 - b **8 years**
 - c 6 year
 - d 9 year
- 10 Municipal tax is deducted from _____.
- a Net Annual Value
 - b **Gross Annual Value**
 - c Municipal Valuation
 - d Net Realisable Value
- 11 Payments to specified persons which are unreasonable are _____.
- a Allowed u/s 40 A (2)
 - b **Disallowed u/s 40 A (2)**
 - c Allowed u/s 40 A (3)
 - d Disallowed u/s 40 A (3)
- 12 Insurance premium paid in respect of insurance against risk of damage or destruction of stocks or stores can be claimed as deduction u/s _____.
- a **36(1)(i)**
 - b 36(1)(iii)
 - c 36 (1) (iv)
 - d 36 (1) (ii)

- 13 The qualifying amount of the preliminary expenditure can be claimed as deduction over period of _____ years in equal instalments.
- a Four
 - b **Five**
 - c Eight
 - d Ten

- Where the cost Long-term specified asset is also eligible for deduction from income u/s 80C, the said deduction will _____ allowed, if the exemption is availed u/s 54EC.
- a also be
 - b **not be**
 - c proportionately
 - d separately

- After availing the exemption u/s 54EC, the assessee has to retain the Long term specified asset for a minimum period of _____ from the date of its acquisition.
- a 1 year
 - b 5 years
 - c **3 years**
 - d 2 years

- 16 Gift received by Mr. Mohan from his friend amounts to ₹ 80,000, shall be _____.
- a Exempt upto ₹ 50,000
 - b Fully Exempt
 - c Fully taxable as received from friend
 - d Exempt upto ₹ 30,000

- 17 Interest received on compensation or on enhanced compensation shall be taxable under the head _____.
- a Income from other sources
 - b Capital Gains
 - c Casual Income
 - d House property

- 18 Deduction u/s 80D in respect of medical insurance premium is allowed to _____.
- a Any assessee
 - b **An Individual and/or HUF**
 - c Individual only
 - d Company

- 19 Interest on deposits (not being time deposits) in a saving account with a bank deduction shall be allowed u/s 80 TTA with reference to such income not exceeding _____.
- a 5,000
 - b **₹ 10,000**
 - c ₹ 25,000
 - d ₹ 50,000
- 20 Annual interest accrued on NSCs VIII issue shall be _____.
- a Exempt form tax
 - b Taxable only on receipt
 - c **Taxable on the basis of annual accrual**
 - d Not taxable only on receipt
- 21 Which of the following is True-
- a Expenses for promoting family planning among employees can be claimed by any assessee
 - b **Capital expenditure for promoting family planning among employees cannot be claimed by any assessee**
 - c Capital expenditure for promoting family planning among employees can be claimed by a company in the year in which it is incurred.
 - d Capital expenditure for promoting family planning among employees can be claimed by a company in the year in which it is incurred.
- 22 If self-generated goodwill of a profession is transferred, there will _____.
- a be capital gain
 - b **not be any capital gain**
 - c be a short-term capital gain
 - d be a long-term capital gain
- 23 Agricultural income from a place outside India is _____.
- a exempt from tax
 - b taxable only in case of a non-resident
 - c taxable as income from business
 - d **taxable as income from other sources**
- 24 LIC premium paid (poliy taken on 5-6-2017, value ₹ 1,00,000) ₹ 25,000; PPF amount paid ₹ 50,000; Repayment of housing loan to Indian Bank ₹ 50,000; Payment made to LIC pension fund ₹ 20,000; Medical insurance premium for self, wife and dependent children ₹ 18,000; Mediclaim premium for parents (aged over 80 years) ₹ 30,000. The eligible deduction under Chapter VI A for the Assessment Year 2020-21 is
- a ₹ 1,53,000
 - b ₹ 1,48,000
 - c ₹ 1,20,000
 - d **₹ 1,85,000**
- 25 Employer's contribution to statutory provident fund is _____.
- a Exempt upto 12% of salary
 - b Exempt upto 9.5% of salary
 - c **Fully exempt**
 - d Exempt upto 8.5% of salary