

BRAINWARE UNIVERSITY

Term End Examination 2021 - 22 Programme – Bachelor of Law Course Name – Taxation Laws Course Code - LLB402 (Semester IV)

Time allotted: 1 Hrs.15 Min. Full Marks: 60

[The figure in the margin indicates full marks.]

Group-A (Multiple Choice Type Question) Choose the correct alternative from the following:

1 x 60=60

Choose the correct	allernalive from	i ine jollowing :

(1) Income Tax Act was passed in the year		
a) 1934	b) 1956	
c) 1961	d) 1972	
(2) Income tax is a		
a) Professional tax	b) Direct tax	
c) Indirect tax	d) Service tax	
(3) Income tax rates are fixed in		
a) Income tax Act	b) Finance Act	
c) Income tax rules	d) Finance rules	
(4) There are heads of income		
a) 3	b) 4	
c) 5	d) 2	
(5) The minimum exceptional limit of income of individual Assessee (senior citizen) i s for AY 2021-22.		
a) 250000	b) 200000	
c) 300000	d) 500000	
(6) Section 2(9) of Income tax deals with		

a) Person	b) Assessee
c) Previous Year	d) Assessment Year
(7) Assessment year is the period of 12 months com	mencing from Every year.
a) 1st March	b) 31st March
c) 1st April	d) 30th April
(8) Surcharge is levied when the total income exceed	ls
a) 5 Crore	b) 10 Crore
c) 1 Crore	d) 2 Crore
(9) Health and Education Cess is levied at the rate of	?_
a) 2	b) 1
c) 3	d) 4
(10) CBDT stands for	
a) Central Bureau of Direct Taxes	b) Central Board of Direct Taxes
c) Citizen's Board of Direct Taxes	d) Citizen's Bureau of Direct Taxes
(11) To be an Ordinarily resident in India, an individu	al must satisfy
 a) Both Basic Conditions and One Additional Condition 	b) One Basic Condition and Both Additional Conditions
 c) One Basic Condition and One Additional Condition 	d) Both Basic Conditions and Both Additional Conditions
(12) A Company has types of residential st	tatus
a) 2	b) 3
c) 1	d) 4
(13) A citizen of India who goes abroad for the purpo n the previous year for at least	
a) 90	b) 162
c) 180	d) 182
(14) Dividend from an Indian Company is	
a) Fully Taxable	b) Partly Taxable
c) Fully Exempted	d) None of these
(15) Income exempted from tax are stated in the section	on Of Income Tax Act
a) 5	b) 10
c) 12	d) 8
(16) Income from Salary is explained in the section	
a) 12 to 14	b) 15 to 17
c) 18 to 22	d) 24 to 26
(17) Salary is defied as per section	
a) 15(2)	b) 16(1)
c) 17(2)	d) 17(1)
(18) Bonus paid by the employer to the employee is	

a) Fully Taxable	b) Partly Taxable
c) Fully Exempted	d) None of these
(19) The highest Administrative Authority for	r Income Tax in India is
a) Finance Minister.	b) CBDT
c) President of India	d) Director of Income Tax
(20) Payment made by an employer to employ	yee monthly, other than salary is called
a) Bonus	b) Allowances
c) Benefits	d) None of these
(21) Agricultural income in Pakistan is assess	sable for
a) Resident	b) Not Ordinarily Resident
c) Non-resident	d) Not taxable
(22) Any allowance granted for encouraging is called	research, academic and other professional pursuit
a) Research Allowance	b) Academic Allowance
c) Higher Educational Allowance	d) Educational Allowance
(23) Children education allowance is exempt	up to per month per child for two children
a) Rs.100	b) Rs.150
c) Rs.200	d) Rs.250
(24) Foreign allowance is a	
a) Fully Exempted Allowance	b) Fully Taxable Allowance
c) Partly Exempted Allowance	d) None of these
(25) State which of the following income are	exempted?
a) Dearness Allowance	b) City Compensatory Allowance
c) Foreign Allowance	d) Medical Allowance
	Rs.120,000 and entertainment allowance Rs.10,0 s.6000 on entertainment. He is entitled to deduction
a) 10000	b) 6000
c) 5000	d) Nil
(27) Who among the following may be "not o	ordinarily resident"?
a) Hindu Undivided Family.	b) Company.
c) Association of persons	d) None of these
(28) Previous year means the financial year in	nmediately preceding the
a) Accounting Year	b) Assessment Year
c) All of the above	d) None of the above
(29) The periodic payment of money for the p	past service is known as
a) Gratuity	b) Pension
c) Commuted pension	d) Leave salary
(30) The income received and accrued outside	e India from a business controlled or profession s

et up in India, the tax incidence in case of resider	nt is
a) Taxable	b) Non-taxable
c) Partly taxable	d) None of the above
(31) Pension is taxable underhead.	
a) Salary	b) House property
c) Capital gains	d) other sources
(32) person is Non-resident if he fails to fulfil	
a) The additional conditions	b) At least one of the basic conditions
c) Both basic conditions	d) None of these
(33) Income received in India is taxable in the hands of	of
a) Resident only	b) Resident and ordinarily resident only
c) Non-resident only	d) All assessees
(34) The Income TaxAct,1961 broadly covers	
a) Basic charging income	b) Rebates and reliefs
c) Incomes exempted from income tax	d) All of the above
(35) Residential Status of an assesses can be	
a) Different for different previous year in the sa me assessment year	b) Different for different assessment year
c) None of the above	d) All of the above
(36) In case of Tax free salary,	
a) Tax is to be paid by employer	b) No tax is payable on such salary
c) Tax is to be paid by the employee	d) Govt, itself pays the tax at a future date
(37) A Perquisite is	
a) Cash paid by employer to employee	b) Facility provided by employer to employee
c) Amount credited to employees	d) None of these accounts
(38) The value of Interest free concessional loans to ending rates of for the same purpose	
a) S.B.I.	b) R.B.I.
c) Central govt	d) State Govt
(39) An employee is deemed as specified employee if bstantial in the company or his chargeable salary	
a) Rs. 5,00,000	b) Rs. 2,00,000
c) Rs. 1,00,000	d) Rs. 50,000.
(40) Value of rent free accommodation a house owned oyees with above 25 lakhs population is	d by employer in case of non- Govt. empl
a) 10% of employees salary	b) 15% of employees salary
c) 7.5% of employee salary	d) 20% of employees salary
(41) Interest on RPF balance is exempted up to	
a) 9.75%.	b) 9.5%

c) 10%	d) 12%
(42) The income of previous year is chargeable to tax	in the
a) Immediately succeeding assessment year	b) Same previous year
c) Immediately preceding academic year	d) None of the above
(43) The salary, remuneration or compensation received ad	ed by the partners is taxable under the he
a) Income from Other Sources	b) Income from Business
c) Salary	d) None of the above
(44) Under Section 15 of Income Tax Act, the salary d received is	ue in previous years and even if it is not
a) Taxable	b) Not taxable
c) Partially taxable	d) None of the above
(45) The Payment of Gratuity Act came into force in	
a) 1973	b) 1980
c) 1991	d) 1972
(46) Profits earned from an illegal business are	
a) Taxable	b) Tax free
c) Ignored by Tax Authorities	d) treated as other income
(47) Which of the following is exempted	
a) City Compensating Allowance	b) Dearness Allowance
c) Foreign Allowance	d) Medical Allowance
(48) Which of the following is not taxable under the ho	ead Salary?
a) Remuneration paid to the lecturer of a college for setting a question paper	b) Salary received by a member of parliament
 c) Commission received by an employee director of a company 	d) Both (a) and (b)
(49) The family pension received by the family memb yee is	ers of armed forces after death of emplo
a) Exempt fully	b) Exempted after fulfilling of certain conditions
c) Not exempted	d) None of the above
(50) The exemption on entertainment allowance is app	licable to
a) Private sector employees	b) Public sector employees
c) Government employees	d) All of the above
(51) Income accrued outside India and received outsid	e India is taxable in case of
a) Resident and ordinary resident (ROR)only	b) Resident but not ordinary resident (RNOR)onl y
c) Non-resident only	d) ROR, RNOR and Non-resident
(52) Gross Total Income is arrived after	
a) only adding Income under five heads of Incom	b) adding Income under five heads of Income ex

e	cluding losses	
c) adding Income under five heads of Income, aft er applying clubbing provisions and making a djustment of set off and carry forward of losse s	d) adding Income under five heads of Income, af ter applying clubbing provisions and making a djustment of set off and carry forward of losse s and after allowing deduction undersection 8 0Cto80U	
(53) Under the head Income from House Property the basis of charge is		
a) Rent Received	b) Gross Annual Value	
c) Annual Value	d) Municipal Value	
(54) As per section 30, which expenditure incurred for ssion shall not be allowed as deduction?	a building used for the business or profe	
a) Rent, rates and taxes	b) Insurance of building	
c) Repairs of building	d) Capital expenditure	
(55) Group of assets falling within a class of assets comprising of tangible & intangible assets i s known as :		
a) Group of assets	b) Block of assets	
c) Set of assets	d) None of these	
(56) Payments to residents on which tax has not been deducted/ paid shall be disallowed to the extent of		
a) 0	b) 30%	
c) 10%	d) 50%	
(57) Preliminary expenses incurred are allowed deducti	ion in	
a) 10 equal annual instalments	b) 5 equal annual instalments	
c) full	d) None of these	
(58) For person carrying on profession, tax audit is con ious year exceeds	npulsory, if the gross receipts of the prev	
a) Rs.50 lakhs	b) Rs.40 lakhs	
c) Rs.10 lakhs	d) Rs.5 lakhs	
(59) If the individual using the property for the busines xable under thehead.	s or professional purpose, the income ta	
a) Income from house property	b) Income from HUF	
c) Income from other	d) Income from business or proprietorship	
(60) Intra head set off is done u/s.		
a) Sec 70	b) Sec 71	
c) Sec 72	d) Sec 73	