

Class: B.Com.-Part-III, Sem.-VI
Subject: ADVANCED ACCOUNTANCY- PAPER –IV (TAXATION)

- 1) Indian Income Tax Act 1961 provides the mechanism for computation of
of a person.
- | | |
|--------------------------|--------------------|
| a) Taxable income | b) Tax free income |
| c) Other income | d) Total income |
- 2) Income tax rates are determined by the following law-----
- | | |
|-------------------------------|---------------------------------|
| a) Income Tax Act 1961 | b) Annual Financial Bill |
| c) Ordinance of the President | d) Commissioner of Income Tax |
- 3) The income earned by the Assesee in any year is assessed to tax during the immediately succeeding.....
- | | |
|--------------------------|------------------|
| a) Next year | b) Previous year |
| c) Financial year | d) Calendar year |
- 4) Income from markets, ferries and fisheries are not considered as.....
- | | |
|------------------------|--------------------------|
| a) Business income | b) Agricultural income |
| c) Other source income | d) Capital income |
- 5) A company formed in Hong Kong but wholly managed and controlled from India is treated as
- | | |
|--------------------|-------------------------------------|
| a) Resident | b) Not ordinary resident |
| c) Non-Resident | d) Resident and ordinarily resident |
- 6) An assessee receives an award of Rs. 1,00,000 from a father for saving the life of his child, the taxable amount is -----.
- | | |
|---------------|-----------------------|
| a) Nil | b) Rs.1,00,000 |
| c) Rs. 95,000 | d) Rs.150000 |

7) Salary paid by the Government of India to an Indian Citizen for rendering services outside India is-----.

- a) Taxable in India
- b) **Not taxable in India**
- c) Deductible u/s 80
- d) Deductible u/s 80(G)

8) The maximum amount allowed for deduction u/s 80c is-----

- a) **Rs.1,50,000**
- b) Rs. 1,20,000
- c) Rs.1,00,000
- d) Rs.2,00,000

9) In case of government employee, the maximum deduction for entertainment allowance is Rs.....

- a) Rs. 1,500
- b) Rs. 1,800
- c) Rs. 3,800
- d) **Rs. 5,000**

10) Free refreshment providing during office hours to an employee is.....perquisite.

- a) **Tax-free**
- b) Partly taxable
- c) Fully taxable
- d) Taxable in special case