

1. Income tax is levied on-

- (A) Monthly basis (B) Quarterly basis
(C) Half-yearly basis **(D) Yearly basis**

2. Income tax is payable on-

- (A) Earned income (B) Salary
(C) Taxable income (D) Every income

3. Assessee includes-

- (A) Individual (B) HUF
(C) Company **(D) All of the above**

4. Exempted income does not includes-

- (A) Agricultural income in India (B) Post office saving bank interest
(C) Indian company dividend **(D) T.V prices**

5. Income tax is-

- (A) Direct tax** (B) Indirect tax
(C) Corporate tax (D) A and C both

6. The authority on whose recommendation the amt. collected as income tax is distributed to state govt.-

7. Income tax was first time levied in the year-

- (A) 1960 (B) 1950
(C) **1860** (D) 1881

8. In case of delay payment of income tax penalty shall be charged as-

- (A) 2% per annum (B) **1% per month**
(C) 3% per month (D) 1.5% per annum

9. Number of digits in a PAN card are-

- (A) 9 (B) 8
(C) **10** (D) 12

10. Income tax department works under-

- (A) State govt. (B) President
(C) Income tax commission (D) **CBDT**

11. Agricultural income is-

- (A) Income from sale of crop (B) Income from nursery
(C) Income from preparation of crop (D) **All of above**

12. Non-agricultural income is-

- (A) Dairy income (B) Mining
(C) Fishery (D) **All of above**

13. Partly agricultural income is-

- (A) **Tea garden** (B) Nursery
(C) Self growing trees (D) none of above

14. Agricultural income is considered when calculating tax if it is-

- (A) More than rs. 5000
(B) More than rs. 10000
(C) **More than rs. 5000 & total income is exceeding exemption limit**
(D) Huge amount

15. Percentage of income from growing & manufacturing tea in India is considered as agricultural income-

- (A) 50% (B) **60%**
(C) 65% (D) 70%

16. Agricultural income is not integrated with non-agricultural income in case of-

- (A) Firm (B) Cooperative society
(C) Individual (D) **A & B both**

17. Income related to land but not agricultural income-

- (A) Income of a purchaser of standing crop
(B) Income from mines
(C) Income from royalty on mines
(D) **All of above**

18. Sum of various heads is called-

- (A) Taxable income (B) Total income

19. A person can earn income from-

- (A) One head (B) Two heads
(C) Various heads (D) any of above

20. Previous year is-

- (A) Preceding year (B) Income earning year
(C) Tax calculating year (D) Income computation year

21. Exempted income is-

- (A) Not taxable under income tax (B) Not included in total income
(C) Agricultural income (D) All of above

22. Not tax-free for member of parliament-

- (A) Daily allowance (B) Committee allowance
(C) Constituency allowance (D) Salary as M.P.

23. Minor income is exempt to the extent of-

- (A) Rs. 1000 (B) Rs. 1500
(C) Rs. 5000 (D) fully exempt

24. It is exempted income-

- (A) Dividend from Indian company (B) Interest from Indian company
(C) Dividend from foreign company (D) cooperative dividend

25. In which section of the income tax act exempted incomes have been mentioned-

- (A) Sec.10 (B) Sec. 80C
(C) Sec.13 (D) Sec.2

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26. Types of assessee are from residential point of view-

- (A) 2 (B) 3
(C) 4 (D) Many

27. Which sec. is related to residential status-

- (A) 2 (B) 4
(C) 5 (D) 6

28. Residents include-

- (A) NRI (B) Ordinarily resident
(C) Not ordinarily resident (D) B & C both

29. Company may be-

- (A) Resident (B) Non-resident
(C) Not ordinarily resident (D) Resident or non-resident

30. Basic condition will be for a person who leaves India for employment-

- (A) At least 182 days in India
(B) At least 60 days in previous year & 365 days in preceding 4 years
(C) At least 730 days in preceding 7 years
(D) All of above

31. Section related to computation of income from salary is-

- (A) Sec 15 to 17 (B) Sec 5 to 8

(C) Sec 11 to 15 (D) Sec 17 to 20

32. Non-Monetary salary includes-

- (A) Allowances (B) Bonus
(C) Commission **(D) Perquisites**

33. Transfer of old movable assets will be tax-free if it is used for-

- (A) 1 year (B) 5 years
(C) 10 years (D) 20 years

34. In HRA, Salary includes-

- (A) Basic salary (B) Commission
(C) A and B both (D) Allowances

35. Entertainment allowance will be deducted from gross salary in case of-

- (A) Govt. employee** (B) Non-govt. employee
(C) A and C both (D) None of the above

36. Deduction from salary is allowed under-

- (A) Sec 14 (B) Sec 15
(C) Sec 16 (D) Sec 17

37. Interest credited to RPF is taxable if it is more than-

- (A) Bank interest rate (B) 10%
(C) 9.5% (D) Whole amount

38. Education allowance is exempted for children-

- (A) 1 (B) 4
(C) 2 (D) No limit

39. Medical bills reimbursed regarding private hospital are exempt-

- (A) Up to Rs. 10000 **(B) Up to Rs. 15000**
(C) Up to Rs. 20000 (D) Whole amount

40. Deduction allowed against gross salary-

- (A) Professional tax** (B) Entertainment tax
(C) Income tax (D) Insurance premium

41. In which section gratuity has been mentioned-

- (A) Sec 9(6) **(B) Sec 10(10)**
(C) Sec 12(5) (D) Sec 7(2)

42. Maximum limit for gratuity is-

- (A) 3 lakhs (B) 5 lakhs
(C) 10 lakhs (D) 8 lakhs

43. Exemption is available for govt. employee at retirement-

- (A) Gratuity (B) Statutory P.F
(C) Leave entrenchment **(D) All of above**

44. Regular pension is taxable for-

- (A) Govt. employee (B) Private employee
(C) Govt. & private both (D) None

45. Gratuity received by a govt. employee is-

- (A) Fully exempted (B) Partly exempted
(C) Fully taxable (D) Exempted up to Rs. 100000

46. House property includes-

- (A) Farm house income (B) Sub-tenant income
(C) House for self-business (D) none of the above

47. Property income is exempt for-

- (A) Local authority (B) Political party
(C) Trade union (D) All of the above

48. Annual value is determined under which section of Income Tax Act-

- (A) Sec 21 (B) Sec 23
(C) Sec25 (D) Sec 27

49. In case of rental house property only such municipal tax is deducted which is-

- (A) Paid by tenant (B) Actual payable amount
(C) Paid by owner (D) All of the above

50. Deduction from annual value is allowed under section-

- (A) Sec 24 (B) Sec 25
(C) Sec27 (D) Sec 28

51. Standard deduction from annual value is allowed as-

- (A) 20%of AV (B) 15% of AV
(C) 25% of AV (D) 30% of AV

52. Interest on loan for self-occupied house taken before 1st April, 1999 will be allowed up to-

- (A) Rs 50000 (B) Rs 100000
(C) Rs 30000 (D) Rs 150000

53. Deduction allowed from annual value-

- (A) Statutory deduction (B) Interest on loan for constitution
(C) Interest on loan for repair (D) All of above

54. Income from house for self-business is-

- (A) Net profit (B) Fair rent
(C) Municipal value (D) Nil

55. An individual assessee can show maximum loss from a self-occupied residential house property-

- (A) Rs. 30000 (B) Rs. 50000
(C) Rs. 150000 (D) No limit

56. Give the full form of STT-

- (A) Security Transaction Tax (B) State Toll Tax
(C) Share Transfer Tax (D) Security Transmission Tax

57. The rate of depreciation allowed on machinery is-

- (A) 10% (B) 5%
(C) 15% (D) 20%

58. What part of preliminary expense is disallowed if whole amount is debited to P&L a/c.

- (A) 1/5 (B) 1/2
(C) 1/4 (D) **4/5**

59. Cash payment over 20000 in a single day is-

- (A) Fully allowed (B) Partly allowed
(C) **Fully disallowed** (D) Allowed for special persons

60. Disallowed expenses includes –

- (A) Interest on own capital (B) Owner's life insurance premium
(C) Provision (D) **All of the above**

61. Cost inflation index for the year 2015-16 is

- (A) 492 (B) 785
(C) 632 (D) **1081**

62. Sec.45 is related to-

- (A) **Capital gain** (B) Capital assets
(C) Assets (D) Capital expenses

63. Capital assets includes-

- (A) Stock in trade (B) Personal effects
(C) Gold deposit bonds (D) **Shares**

64. Types of capital gains are-

- (A) 1 (B) **2**
(C) 3 (D) 4

65. Indexation will be done on-

- (A) Debentures (B) Other Securities
(C) **Shares** (D) All of the above

66. Index no. before 31st march, 1981 is-

- (A) 0 (B) 20
(C) **100** (D) 150

67. Exemption is not allowed in which section?

- (A) 54 (B) 54B
(C) **54E** (D) 54EC

68. Indexation will be allowed to –

- (A) STCG (B) **LTCG**
(C) Both (D) None of the above

69. The maximum amount of deduction on family pension is-

- (A) **15000** (B) 20000
(C) 25000 (D) 10000

70. T.D.S is not deducted on lottery income up to-

- (A) Rs.5000 (B) **Rs.10000**
(C) Rs.15000 (D) Rs.20000

71. Income from other sources includes-

- (A) Indian company dividend (B) Dividend from units
(C) Foreign company dividend **(D) All of the above**

72. Interest from tax-free govt. securities is made-

- (A) Gross-up (B) Net up
(C) Not included (D) Included as it is

73. Income of Indian cricketers for playing test match is taxable under the head-

- (A) Professional income (B) Income from salary
(C) Income from other sources (D) None

74. Clubbing of income means-

- (A) Addition income of two partners
(B) Inclusion of income of other person in assessee's income
(C) Total of income of various heads
(D) Collection of income

75. Minor's income is clubbed to-

- (A) Father's income (B) Mother's income
(C) Father's or mother's income, whichever is greater
(D) Both mother's & father's income

76. The income of minor is not clubbed to the following limit-

- (A) Rs. 1000 **(B) Rs. 1500**
(C) Rs. 10000 (D) whole income

77. Sections related to clubbing of income-

- (A) sec.60-69 **(B) sec.60-64**
(C) sec.60-67 (D) sec.68-69

78. Deemed incomes mentioned in-

- (A) sec.60-64 (B) sec.65-67
(C) sec.68-69 (D) All of above

79. Loss from speculated business can be carried forward for-

- (A) 2years **(B) 4years**
(C) 8years (D) Unlimited years

80. Loss from owning and maintaining race horses can be set up against-

- (A) All heads (B) All heads except salary
(C) Same type of income (D) Speculated business profit

81. Which loss can be set up against income from salary-

- (A) H.P Loss** (B) Loss from business
(C) STCL (D) Owning and maintaining race horse

82. From which head of income an assessee never occur any loss?

- (A) HP **(B) Salary**
(C) Capital gain (D) Business and profession

83. Unabsorbed depreciation can be set off to the extent of-

- (A) 4 years (B) 8 years

(C) No time limit (D) Never

84. Maximum deduction allowed for donation to P.M Drought relief fund

(A) **100%** (B) 40%

(C) 50% (D) 75%

85. Deduction u/s 80 'C' is allowed in connection with-

(A) LIP (B) Contribution to PPF

(C) Tuition fees (D) **All of the above**

86. Maximum deduction allowed u/s 80'C'-

(A) RS.50000 (B) **RS.100000 (Rs. 1.50 Lakh from A.Y. 2015-16)**

(C) RS.20000 (D) Whole amount

87. Deduction in respect of medical insurance premium is allowed under which section-

(A) 80C (B) **80D**

(C) 80DD (D) 80U

88. Maximum deduction allowed for senior citizen under sec. 80D is-

(A) 5000 (B) 15000

(C) 25000 (D) **20000**

89. Maximum deduction in respect of royalty income of author u/s QCB is-

(A) **300000** (B) 200000

(C) 100000 (D) 50000

90. Person with disability is allowed a fixed deduction of-

(A) 20000 (B) **50000**

(C) 100000 (D) 150000

91. Expenditure on severe disease u/s 80DDB is allowed up to-

(A) 20000 (B) 15000

(C) **40000** (D) 50000

92. Which of the following donations is eligible for 100% deduction?

(A) National children fund (B) **National sports fund**

(C) Rajeev Gandhi Foundation (D) J.L. Nehru Memorial Fund

93. Mr. Varun Roy contributed to a political party, he can avail deduction-

(A) 80G (B) 80GGB

(C) **80GGC** (D) 80GGD

94. The total income will be round off to the nearest multiple of-

(A) 5 (B) **10**

(C) 100 (D) 1000

95. Total income of an individual does not includes-

(A) Foreign company dividend (B) Salary of a partner in a firm

(C) Commission (D) **Agricultural income**

96. Gross total income means-

(A) **Sum of heads of income** (B) Total income after deducting deductions

(C) Income on which tax calculated (D) none of these

97. Sum of various heads called-

(A) Taxable income (B) Total income

(C) Gross total income (D) Adjusted income

98. A person can earn income from-

(A) One head (B) Two heads

(C) Various heads **(D) Any of above**

99. The tax rate of long term capital gain is-

(A) 10% (B) 15%

(C) 20% (D) 25%

100. The income tax rate on STCG on shares sold through stock exchange is-

(A) 10% **(B) 15%**

(C) 20% (D) 25%

101. Tax deducted on lottery is-

(A) 20% (B) 25%

(C) 30% (D) 35%

102. Education cess is calculated on-

(A) Total income **(B) Tax on total income**

(C) Taxable income (D) Agricultural income

103. Rate of education cess on total income is-

(A) 2% **(B) 3%**

(C) 2.5% (D) 4%

104. Minimum age for super senior citizen is-

(A) 65 years (B) 70 years

(C) 75 years **(D) 80 years**

105. Items are taxed at special rates-

(A) Long-term capital gains (B) Short -term capital gains on shares

(C) Lottery & horse race **(D) All of above**

106. This is rounded off for tax purpose-

(A) Total income (B) Gross income

(C) Net income (D) Agricultural income

107. Tax-free limit for women assessee for assessment year 15-16 is-

(A) 180000 (B) 190000

(C) 200000 **(D) 0000**

108. The deduction for donation to National Foundation for communal harmony is-

(A) 100% (B) 50%

(C) 100% of qualifying amount (D) 50% of qualifying amount

109. The types of partition of a HUF includes-

(A) Complete (B) Partial

(C) A AND B both (D) Not allowed

110. Partial partition in HUF affected after which year is not recognized for tax purpose -

- (A) 31 march, 1960 (B) 31 march, 1970
(C) **31 march, 1978** (D) 31 march, 1982

111. What is the place of Karta in HUF-

- (A) **Major member** (B) Minor member
(C) Male member only (D) any one of above

112. Interest of member in HUF is decided by-

- (A) **Hindu law** (B) Indian constitution
(C) Muslim law (D) Income tax authority

113. Under which section HUF is not entitle to deduction from GTI-

- (A) 80C (B) 80G
(C) **80E** (D) 80DD

114. Who is liable to pay tax in HUF-

- (A) **Karta** (B) Coparceners
(C) Minor member (D) None of the above

115. Income included in the income of family-

- (A) Only family business income (B) Only ancestral property income
(C) **Income from other head except salary** (D) Karta's income

116. Income of property transferred after 31st Dec. 1969 by member to family shall be-

- (A) Included (B) **Not included**
(C) Partially included (D) none of above

117. Interest on capital of a partner is allowed@-

- (A) 9% (B) 10%
(C) 11% (D) **12%**

118. Remuneration allowed to partners is-

- (A) **Amount allowed u/s 40(b)** (B) Whole amount of deed
(C) Up to 150000 (D) No remuneration

119. Rate of tax applicable on the total income of firm is-

- (A) 10% (B) 20%
(C) **30%** (D) 40%

120. Surcharge on tax on firm's total income is-

- (A) Applicable (B) Not applicable
(C) **Applicable if total income crosses 1crore** (D) Applicable if there is capital gain

121. Interest is paid to partners u/s-

- (A) 40(a) (B) **40(b)**
(C) 40(c) (D) 40(d)

122."Tax planning is a moral way of tax saving, in it a tax payer reduce tax liability honestly and it's along term process." This definition is given by-

- (A) **Prof. Coldar** (B) Prof. Dalton
(C) Alderson (D) Andrew

123. Nature of tax planning includes-

- (A) Legal (B) Moral
(C) Honest effort **(D) All of these**

124. Object of tax planning is-

- (A) Avoidance of tax **(B) Minimize of tax liability**
(C) Payment of tax at time (D) Differment of tax

125. In the tax avoidance the provisions law-

- (A) Not abided **(B) Misused**
(C) Wrong interpretation (D) All of above

126. Causes of tax evasion-

- (A) Higher tax rates (B) Complex of provisions
(C) Corruption **(D) All of above**

127. Better way of reducing tax liability is-

- (A) Tax evasion (B) Tax avoidance
(C) Tax planning (D) Both (A) and (B)

128. Valuation of rent free house will be according to-

- (A) Salary (B) Area
(C) Owner **(D) Population**

129. Free travel concession will be allowed-

- (A) Once in a year (B) 2 times in one year
(C) 4 times in 2 years **(D) 2 times in 4 years**

130. LTCG in case of transfer of listed shares is-

- (A) Taxable @15% (B) Taxable @20%
(C) Tax-free (D) Taxable @10%

131. One self- occupied house is-

- (A) Taxable (B) Partly taxable
(C) Taxable in some cases **(D) Tax-free**

132. The provision regarding TDS is given under which sec. of income tax-

- (A) Sec.192-206** (B) Sec.90-120
(C) Sec.126-150 (D) Sec.185-204

133. The rate of TDS on securities other than govt. securities is-

- (A) 5% **(B) 10%**
(C) 15% (D) 20%

134. TDS rate for lottery is only available if the winning amount is more than-

- (A) Rs.1000 (B) Rs.5000
(C) Rs.10000 (D) Rs.50000

135. Form no. applicable for TDS in respect of salary is-

- (A) 15 **(B) 16**
(C) 17 (D) 18

136. Which section is related to liability to payment of advance tax?

- (A) 206 (B) 207
(C) 208 (D) 209

137. Due date for filing returns are-

- (A) 15 Sept. (B) 15 Dec.
(C) 15 mar. (D) All of above

138. Advance tax will not be paid if tax payable after TDS is more than or equal to -

- (A) Rs.5000 (B) Rs.10000
(C) Rs.15000 (D) Rs.20000

139. Liability of advance tax arises when-

- (A) Total income is more than exemption limit
(B) Probable tax liability in the current year is 10000 or more
(C) The Assessee leaves India
(D) All of above

140. Return form related to individual & HUF not having business/profession income is-

- (A) ITR-1 (B) ITR-2
(C) ITR-3 (D) ITR-4

141. Sec. related to self-assessment-

- (A) Sec.140 (B) Sec.140 (A)
(C) Sec.140 (B) (D) Sec.140(C)

142. Which sec. deal with PAN-

- (A) 139A (B) 140A
(C) 147A (D) 154A

143. If filing of return within assessment year is not done then penalty will be charged as-

- (A) Rs 1000 (B) Rs 5000
(C) Rs 2000 (D) Rs 10000

144. ITR-7 is related to-

- (A) Individual assessee (B) firm
(C) Company (D) Charitable institution

145. Due date for filing of return in case of company or firm-

- (A) 30 June (B) 31 July
(C) 30 Sept. (D) 31 Dec.

146. Re-assessment section is-

- (A) 145 (B) 147
(C) 148 (D) 154

147. In which year Central Board of Revenue Act came into existence-

- (A) 1950 (B) 1956
(C) 1963 (D) 1972

148. Maximum no. of members in CBDT is-

- (A) 4 (B) 5
(C) 6 (D) unlimited

149. Most important authority in income tax department is

- (A) Inspectors (B) **Assessing officer**
(C) Tax recovery officer (D) Commissioner of IT

150. Commissioner of Income Tax is appointed by-

- (A) Income tax dept. (B) Ministry of finance
(C) **Central govt.** (D) Chairman of CBDT

151. Rights of CBDT are-

- (A) Budget preparation (B) Determine IT rates
(C) **Preparing income tax rules** (D) All of above

152. Form no. of appeal-

- (A) 30 (B) **35**
(C) 38 (D) 40

153. Time limit for appeal-

- (A) **30 days** (B) 60 days
(C) 90 days (D) 15 days

154. Appeal may be made to-

- (A) Commissioner (B) Appellate tribunal
(C) High court (D) **All of above**

155. National tax tribunal is also known as-

- (A) **High court** (B) Appellate tribunal
(C) Supreme court (D) Revenue court

156. Sec. related to offence of making false statement-

- (A) 250 (B) 268
(C) **277** (D) 284

157. Max. penalty for concealment of particulars is-

- (A) 50% (B) 100%
(C) 200% (D) **300%**

158. Sec. related to failure to furnish report is-

- (A) **92 F** (B) 271(F)
(C) 271(CA) (D) 271(A)

159. Which sec. of IT act defines cooperative society?-

- (A) 2(17) (B) 2(18)
(C) **2(19)** (D) 2(21)

160. Cooperative society cannot earn its income from the head-

- (A) **Salary** (B) Business & profession
(C) Capital gain (D) other sources

161. Deduction under sec. 80P is available to-

- (A) Company (B) Firm
(C) **Cooperative society** (D) All of the above

162. Special provision relating to non-resident is given u/s-

- (A) 110-112 (B) 111A-111C
(C) **115C-115I** (D) 116A-116E

163. Non-resident's income outside India is-

- (A) Fully taxable (B) **Fully tax-free**
(C) Partly taxable (D) Taxable in some cases

164. Foreign individual assessee may be-

- (A) Ordinary resident (B) not-ordinarily resident
(C) Non-resident (D) **Any one of above**

165. Under which of income tax act, company is describe-

- (A) 2(10) (B) 2(15)
(C) **2(17)** (D) 2(20)

166. Minimum alternate tax is defined u/s-

- (A) 110A (B) 110AB
(C) 115J (D) **115JB**

167. Flat rate on foreign company's income is-

- (A) 10% (B) 20%
(C) 30% (D) **40%**

168. Surcharge is levied on company assessee if the total income exceeds-

- (A) Rs.10 lakhs (B) Rs.50 lakhs
(C) **Rs.1 crores** (D) Rs.10 crores

169. Sec. 11A is related to-

- (A) Minimum alternate tax (B) Surcharge
(C) **Transaction tax** (D) Donation to political party