

**Pune Vidyarthi Griha's**  
**College of Science and Technology**  
CTS No. 218, Br. Nath Pai Nagar, Ghatkopar (E), Mumbai-400072.

**Sample Paper Regular Dec 2020**

**Class: SYBCOM**

**Sub: Management A/c**

**Sem: III**

**Date: Dec. 2020**

**Time: 00:00 to 00:00**

**Total Marks : 60 Marks** (Each questions of 1.5 marks)

**Instructions:**

- You have to attend 40 Questions out of 50 Questions.
- No timer/warning is provided.
- Submit your paper before end time.

1. Income tax is collected on all types of income except \_\_\_\_\_.
  - (a) Agricultural Income
  - (b) Industrial Income
  - (c) Capital Gain
  - (d) Household Property
2. The Income Tax Act came into force from \_\_\_\_\_.
  - (a) 1st March 1971
  - (b) 1st April 1971
  - (c) 1st March 1981
  - (d) 1st April 1961
3. The Income Tax Act 1961 is applicable \_\_\_\_\_.
  - (a) all over India except Andaman & Nicobar
  - (b) all over India except Maldives
  - (c) all over India except Jammu & Kashmir
  - (d) all over India
4. As per Income Tax Act, 1961, income tax is charged on the income of \_\_\_\_\_ at a rate which is prescribed by the Finance Act of relevant assessment year.
  - (a) Next year
  - (b) One year before previous year
  - (c) Previous year
  - (d) Assessment year
5. The tax payer liability is determined with reference to his or her \_\_\_\_\_.
  - (a) Financial Status
  - (b) Residential Status
  - (c) State
  - (d) Family status
6. Previous year means the financial year immediately preceding the \_\_\_\_\_.
  - (a) Accounting Year
  - (b) Assessment Year

- (c) Traditional Year
  - (d) Financial Year
7. An individual is said to be resident in India if \_\_\_\_\_.
    - (a) It is in India for period of 50 days or more during the previous and 365 days or more during the four years immediately preceding previous year
    - (b) It is in India for period of 60 days or more during the previous and 365 days or more during the four years immediately preceding previous year
    - (c) It is in India for period of 60 days or more during the previous and 265 days or more during the four years immediately preceding previous year
    - (d) It is in India for period of 50 days or more during the previous and 265 days or more during the four years immediately preceding previous year
  8. Income received in India whether occurred in India or outside India, the tax incidence in case of resident is \_\_\_\_\_.
    - (a) Taxable as per slabs
    - (b) Exempted from tax
    - (c) Partly exempted
    - (d) Only 50% Taxable
  9. Income received in India whether occurred in India or outside India, the tax incidence in case of resident but not ordinarily resident is \_\_\_\_\_.
    - (a) Taxable as per slabs
    - (b) Exempted from tax
    - (c) Partly exempted
    - (d) Only 50% Taxable
  10. Income received in India whether occurred in India or outside India, the tax incidence in case of non-resident is \_\_\_\_\_.
    - (a) Taxable as per slabs
    - (b) Exempted from slab
    - (c) Partly exempted
    - (d) Only 50% Taxable
  11. Where the amount of an expenditure claimed as deduction exceeds ₹ 10,000, it should be paid by
    - a) Crossed cheque
    - c) Cash
    - b) Account payee cheque / draft
    - d) NEFT / RTGS payment
  12. Where the amount of an expenditure claimed as deduction exceeds ₹ 10,000, it is not made by account payee cheque/draft.
    - a) 20% of such payment shall be disallowed
    - b) 100% of such payment shall be disallowed
    - c) 20% of the excess over ₹ 20,000 of such payment shall be disallowed
    - d) 50% of such payment shall be disallowed
  13. In the case, asset of a particular block is acquired and put to use during the previous year for less than 180 days, depreciation will be charged
    - a) At normal rate
    - b) At 50% of normal rate
    - c) No depreciation is allowed

- d) At 100% of normal Rate
14. Tax is allowed as a deduction while computing the business income.
- a) Wealth tax,
  - b) Income tax,
  - c) Sales tax,
  - d) Advance income tax
15. Export incentives received by an assessee are
- a) Exempt
  - b) Taxable as business income
  - c) Exempt upto certain limits
  - d) Only 10% Taxable
16. Mr. Richard who was carrying on agency of sell computation business, received a sum of ₹ 80,000 from his principal for termination of agency. Compensation so received shall be
- a) Exempt as it is capital receipt
  - b) Taxable as business income
  - c) Taxable as income from other source
  - d) Taxable as Capital gain
17. Salary, bonus, commission or remuneration due to or received by a working partner from the firm is taxable under the head.
- a) Income from salaries
  - b) Business Income
  - c) Other source
  - d) Exempt income
18. Mobile handset received by the assessee Doctor during the course of carrying on his profession is taxable under the head.
- a) Salary
  - b) Other sources
  - c) Professional Income
  - d) Exempt income
19. An amount paid to a company to be used for scientific research shall be allowed a deduction equal to
- a) 100%
  - b) 125%
  - c) 150%
  - d) 110%
20. Bonus paid to employee is allowed as deduction on
- a) Accrual basis
  - b) Declaration
  - c) Payment basis
  - d) Only 50%
21. Payment received by a College lecturer from University for setting question papers \_\_\_\_\_
- (a) Salary
  - (b) Income from other sources
  - (c) Income from business

(d) Exempt income

22. Salary received by a Member of Parliament \_\_\_\_\_

- (a) Salary
- (b) Income from other sources
- (c) Income from business
- (d) Exempt income

23. Salary received by a partner from firm \_\_\_\_\_

- (a) Salary
- (b) Income from other sources
- (c) Income from business
- (d) Exempt income

24. Value of rent free Accommodation provided by the employer \_\_\_\_\_

- (a) is exempt from tax
- (b) is a perquisite taxable in case of all employees
- (c) is a perquisite taxable in case of only 'specified' employees
- (d) is a perquisite taxable in case of only government employees

25. Sum paid as employer's contribution to a recognised provident fund within the allowed limits \_\_\_\_\_

- (a) is not taxable
- (b) is a perquisite taxable in case of all employees
- (c) is a perquisite taxable in case of only 'specified' employees
- (d) is taxable as 'profit in lieu of salary'

26. Gas, electricity or water supply provided free of cost \_\_\_\_\_

- (a) is exempt from tax
- (b) is a perquisite taxable in case of all employees
- (c) is a perquisite taxable in case of only 'specified' employees
- (d) is a perquisite taxable in case of only non- government employees

27. Cost of medical treatment in a hospital maintained by the employer, provided to an employee \_\_\_\_\_

- (a) is not taxable
- (b) is a perquisite taxable in case of all employees
- (c) is a perquisite taxable in case of only 'specified' employees
- (d) is taxable as 'profit in lieu of salary'

28. Compensation for termination of employment \_\_\_\_\_

- (a) is not taxable
- (b) is taxable as capital gains
- (c) is taxable in case of only 'specified' employees
- (d) is taxable as 'profit in lieu of salary'

29. Lumpsum payment from Unrecognised Provident Fund to an employee, on his retirement, over and above his own contribution \_\_\_\_\_

- (a) is not taxable
- (b) is taxable as income from other sources
- (c) is taxable in case of only 'specified' employees
- (d) is taxable as 'profit in lieu of salary'

30. Allowances for expenses on Travelling on tour or transfer are \_\_\_\_\_

- (a) exempt upto lower of the amount actually spent or the prescribed limits.
- (b) exempt fully to the extent actually spent
- (c) exempt to the extent of lower of allowance received or the lump-sum amount prescribed, irrespective of actual expenditure.
- (d) fully taxable

31. Leave travel concession is \_\_\_\_\_

- (a) exempt upto lower of the amount actually spent or the prescribed limits.
- (b) exempt fully to the extent actually spent
- (c) exempt to the extent of lower of allowance received or the lump-sum amount prescribed, irrespective of actual expenditure.
- (d) fully taxable

32. Mr. Santosh is owner of two houses namely "Genaraje" at Mulund & "Om Sai" at Thane which are self-occupied. However, apartment at "Om Sai" was let out for 2 months. The computation of this property - "Om Sai" would be \_\_\_\_\_.

- a. Let out
  - b. Self-occupied
  - c. Partly let out & partly SOHP
  - d. Deemed let out
33. The net annual value of house let-out is Rs. ` 1,00,000 and actual amount spent by the assessee on repairs and insurance premium is Rs. ` 20,000, the amount of deduction allowed under section 24(a) shall be Rs. \_\_\_\_\_
- a. Rs. 20,000
  - b. Rs. 30,000
  - c. Rs. 25,000
  - d. Rs. 22,000
34. Which of the following amount is not allowed for deduction from income from house property ?
- a. Interest on loan borrowed for construction of house property
  - b. Interest on fresh loan taken to repay original loan
  - c. Interest on unpaid interest
  - d. Interest on unpaid purchase price
35. Income from vacant plot is taxable under the head
- a. Income from House Property
  - b. Income from Other Sources
  - c. Profits & Gains of Business or Profession
  - d. Capital Gains
36. Which is the charging section of Income from house property?
- a. Section 15
  - b. Section 22
  - c. Section 24
  - d. Section 10(10D)
37. Mr. Someshwar owns a house property. He lent it to Mr. Lucky Singh at Rs. 10,000 p.m. Mr. Lucky Singh sublet it to Mr. Maruti on monthly rent of Rs 20,000 p.m. Rental income of Mr. Lucky Singh is taxable under the head
- a. Income from Salary
  - b. Income from Other Sources
  - c. Income from House Property
  - d. Income from Business
38. Income from subletting of house property is taxable under the head \_\_\_\_\_
- a. Income from House Property
  - b. Income from Other Sources
  - c. Profits & Gains of Business or Profession
  - d. Capital Gains
39. Find the Gross Annual Value of house property of Nishant if the following is given:  
Municipal value = Rs. 1,00,000; Fair Rent = Rs. 88,000;  
Standard Rent = Rs. 92,000; Actual Rent = Rs. 89,000
- a. Rs. 1,00,000
  - b. Rs. 88,000
  - c. Rs. 92,000
  - d. Rs. 89,000
40. The maximum limit of deduction under section 24(b) for interest on borrowed capital before

1-4-1999 for construction of house property used for self occupation is:

- a. Rs. 30,000
  - b. Rs. 2,00,000
  - c. Rs. 50,000
  - d. Rs. 60,000
41. Calculate the Gross Annual Value from the following details: Municipal Value Rs. 45,000, Fair rental value Rs. 50,000, Standard Rent Rs. 48,000 and Actual Rent ` 42,000.
- a. Rs. 50,000
  - b. Rs. 48,000
  - c. Rs. 45,000
  - d. Rs. 42,000
42. Capital gain arises from the transfer of
- a. Any asset
  - b. Any fixed asset
  - c. Any capital asset
  - d. Land and building only
43. Which asset is not treated as capital asset for capital gain purposes
- a. Motor car for business use
  - b. Jewellery
  - c. Tenancy rights
  - d. Plant and Machinery held as stock in trade
44. Short - term capital gain arise on transfer of listed shares and units held by the assessee for not more than
- a. 36 months from the date of acquisition
  - b. 12 months from the date of acquisition
  - c. 54 months from the date of acquisition
  - d. 24 months from the date of acquisition
45. Tick from the following, the capital assets, where there will be long- term capital gains, if such asset is transferred after it is held for 14 months.
- a. Plant and Machinery
  - b. Jewellery
  - c. Units of equity MF
  - d. Marketable securities

46. Distribution of assets at the time of partial or complete partition of HUF shall
- a. Be regarded as a transfer in the hands of HUF for capital gain purposes
  - b. Be regarded as a transfer in the hands of coparceners (members of HUF)
  - c. Neither be regarded as transfer in the hands of HUF nor in the hands of coparceners
  - d. Be regarded as a transfer in the hands of Karta for capital gain purposes

47. In case of long term capital gain, the amount to be deducted from sale consideration shall be
- a. In which such conversion took place
  - b. In which such converted asset is sold or otherwise transferred
  - c. In which such converted asset was purchased

The selling value less the cost

48. Conversion of capital asset into stock in trade will result into capital gain of the previous year
- a. In which such conversion took place
  - b. In which such converted asset is sold or otherwise transferred
  - c. In which such converted asset was purchased
  - d. The selling value less the cost

49. Cost of improvement of goodwill of a business shall be
- a. Nil
  - b. The capital expenditure incurred
  - c. Capital expenditure incurred on or after 1-4-2001
  - d. Revenue Expenditure

50. The assessee is allowed to opt for market value as on 1-4-2001 in case of
- a. All capital assets
  - b. All capital assets other than depreciable asset
  - c. Only house properties
  - d. Other source