

Roll No.

Question Booklet Number

O. M. R. Serial No.

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B. Com. (Honors) (Fourth Semester)

EXAMINATION, July, 2022

INCOME TAX LAW AND ACCOUNT

Paper Code

BCOMH	4	0	0	4
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Questions Booklet
Series

C

Time : 1:30 Hours]

[Maximum Marks : 100

Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. The booklet contains 100 questions. Examinee is required to answer any 75 questions in the OMR Answer-Sheet provided and not in the question booklet. If more than 75 questions are attempted by student, then the first attempted 75 questions will be considered for evaluation. All questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be got immediately replaced.

परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. प्रश्न-पुस्तिका में 100 प्रश्न हैं। परीक्षार्थी को किन्हीं 75 प्रश्नों को केवल दी गई OMR आन्सर-शीट पर ही हल करना है, प्रश्न-पुस्तिका पर नहीं। यदि छात्र द्वारा 75 से अधिक प्रश्नों को हल किया जाता है तो प्रारम्भिक हल किये हुए 75 उत्तरों को ही मूल्यांकन हेतु सम्मिलित किया जाएगा। सभी प्रश्नों के अंक समान हैं।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR आन्सर-शीट को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका जिसमें कुछ भाग छपने से छूट गए हों या प्रश्न एक से अधिक बार छप गए हों या उसमें किसी अन्य प्रकार की कमी हो, तो उसे तुरन्त बदल लें।

(Remaining instructions on the last page)

(शेष निर्देश अन्तिम पृष्ठ पर)

(Only for Rough Work)

1. Gratuity received by a Government employee is :
 - (A) Fully exempted
 - (B) Partially taxable
 - (C) Fully taxable
 - (D) Exempted upto ₹ 10,00,000
2. The periodic payment of money for the past service is known as :
 - (A) Pension
 - (B) Commuted Pension
 - (C) Gratuity
 - (D) None of the above
3. The commuted pension in case the employee, does not get gratuity, shall be taxable :
 - (A) 1/3 of total pension
 - (B) 2/3 of total pension
 - (C) 1/4 of total pension
 - (D) 1/2 of total pension.
4. Interest on capital paid by the firm to its partners is allowed :
 - (A) upto 15%
 - (B) upto 16%
 - (C) upto 18%
 - (D) upto 12%
5. Under which the work of a doctor is covered ?
 - (A) Trade
 - (B) Business
 - (C) Profession
 - (D) None of the above
6. Which of the following donations is eligible for 100% deduction ?
 - (A) P. M. Drought Relief Fund
 - (B) National Sports Fund
 - (C) Rajeev Gandhi Foundation
 - (D) None of the above
7. For the assessment year 2020-21, the maximum permissible deduction u/S 80 C is :
 - (A) ₹ 79,000
 - (B) ₹ 1,50,000
 - (C) ₹ 80,000
 - (D) None of the above
8. Under Section 80 E deduction in respect of payment of interest on loan is taken for the higher education shall be allowed upto :
 - (A) ₹ 20,000
 - (B) ₹ 25,000
 - (C) ₹ 30,000
 - (D) No limit

9. Deduction under Section 80 C is not available to :
- (A) Individual
 - (B) HUF
 - (C) Company
 - (D) All of the above
10. Deduction under Section 80 G is allowed in connection with :
- (A) Charity
 - (B) Donation
 - (C) Royalty
 - (D) All of the above
11. On which income deduction under Section 80 G is not allowed ?
- (A) Salary
 - (B) House Property
 - (C) Long-term Capital Gains
 - (D) None of the above
12. If unlisted securities are sold after 12 months, the capital gain arising from such sale is a :
- (A) STCG
 - (B) LTCG
 - (C) Income from other sources
 - (D) All of the above
13. Capital gain is the gain which arises from the transfer of :
- (A) Land and Building only
 - (B) Share of a Blue chip company
 - (C) Capital assets
 - (D) All of the above
14. Which of the following is not regarded as transfer of capital asset ?
- (A) Sale or exchange of an asset
 - (B) Conversion of assets into stock-in-trade
 - (C) Redemption of zero coupon bonds
 - (D) Any transfer of a capital asset under a gift or will or an irrevocable trust
15. Which of the following expenses are disallowed while calculating capital gains ?
- (A) Cost of acquisition of asset
 - (B) Cost of improvement of asset
 - (C) Expenses on transfer of asset
 - (D) Securities transaction tax
16. Tax on LTCG is :
- (A) 10%
 - (B) 15%
 - (C) 20%
 - (D) 25%
17. Tax on STCG on sale of listed shares covered under STT is :
- (A) 10%
 - (B) 15%
 - (C) 20%
 - (D) 25%

18. Long-term capital loss can be carried forward for next :
- (A) 6 years
 (B) 8 years
 (C) Indefinite years
 (D) Cannot be carried forward
19. Which one of the following statements is true ?
- (A) Agricultural land in rural area is a capital asset.
 (B) Capital gain arises from transfer of any asset.
 (C) Capital assets include both tangible and intangible assets as per Sec. 2(14).
 (D) None of the above
20. Exemption under Section 54D is available if there is :
- (A) A transfer of any capital asset
 (B) Compulsory acquisition
 (C) Slump sale
 (D) None of the above
21. Under which head the pension is taxable ?
- (A) Salaries
 (B) Income from other sources
 (C) Capital gains
 (D) None of the above
22. Salary of MP will be taxable under the head :
- (A) Salaries
 (B) Profits from Business and Profession
 (C) Capital Gains
 (D) Income from other sources
23. Donation to Prime Minister's National Relief Fund is deductible from gross total income of the assessee under which Section of Income Tax Act ?
- (A) Section 80 C
 (B) Section 80 D
 (C) Section 80 G
 (D) Section 80 E
24. Mr. X is completely blind deduction available under Section 80 U :
- (A) ₹ 75,000
 (B) ₹ 25,000
 (C) ₹ 1,25,000
 (D) None of the above
25. Amendments by the Finance Act are made available :
- (A) First day of next financial year
 (B) First day of same financial year
 (C) Last day of same accounting year
 (D) None of the above

26. Income tax is charged in :
- (A) Previous year
 - (B) Assessment year
 - (C) Financial year
 - (D) Accounting year
27. A person includes :
- (A) Only individual
 - (B) Only Individual and HUF
 - (C) Individual, HUF, Firm and Company
 - (D) Individual, HUF, Firm, Company, AOP, BOI, Local authority and Every Artificial Judicial person
28. Every assessee is a person and :
- (A) Every person is also an assessee.
 - (B) Every person need not be an assessee.
 - (C) An individual is always an assessee.
 - (D) A HUF is always an assessee.
29. A person follows calendar year for accounting. For taxation, he has to follow :
- (A) Calendar year only : 1st January to 31st December
 - (B) Financial year only : 1st April to 31st March
 - (C) Any of the Calendar or Financial year as per his choice
 - (D) None of the above
30. Income tax is levied on the of a person.
- (A) Total Income
 - (B) Total Income-Debt
 - (C) Gross Total Income
 - (D) Net Income-Debt Perquisites
31. Income includes :
- (A) Profits and gains
 - (B) Profit in lieu of salary
 - (C) Income from other sources
 - (D) All of the above
32. Which amongst the following is not a head of Income ?
- (A) Salaries
 - (B) Income from house property
 - (C) Capital gains
 - (D) Income from exports
33. Income tax in India is charged at the rate(s) prescribed by :
- (A) The Finance Act
 - (B) The Income Tax Act
 - (C) The Central Board of Direct Taxes
 - (D) The Ministry of Finance

34. Income tax is a/an
- (A) Professional tax
(B) Direct tax
(C) Indirect tax
(D) Service tax
35. 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.
36. CBDT is controlled by
- (A) Central Government
(B) State Government
(C) Both (A) and (B)
(D) None of this above
37. To be an ordinarily resident in India, an individual 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
38. Dividend from an Indian company is
- (A) Fully taxable
(B) Partially taxable
(C) Fully exempted
(D) None of the above
39. Income from Salary is explained in the Section
- (A) 12 to 14
(B) 15 to 17
(C) 18 to 22
(D) 24 to 26
40. Income exempted from tax are stated in the Section of Income Tax Act.
- (A) 5
(B) 10
(C) 12
(D) 8
41. Expenditure incurred on exempted income is as deduction.
- (A) Fully allowed
(B) Partially allowed
(C) Not allowed
(D) None of the above

42. Payment made by an employer to employee monthly, other than salary is called
- (A) Bonus
(B) Allowances
(C) Benefits
(D) None of the above
43. If the assessee is living in own house HRA is
- (A) Fully taxable
(B) Partially taxable
(C) Fully exempted
(D) None of the above
44. Who among the following may be “not ordinarily resident” ?
- (A) Hindu Undivided Family
(B) Company
(C) Association of persons
(D) None of the above
45. Entertainment allowance is allowed as a deduction as per Section
- (A) 16
(B) 16(i)
(C) 16(ii)
(D) 16(iii)
46. A 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 the above
47. Any rent or revenue derived from land which is situated in India and is used for agricultural purpose is
- (A) Partially taxable
(B) Fully taxable
(C) Exempted from tax
(D) None of the above
48. The salary, remuneration or compensation received by the partners is taxable under the head ‘
- (A) Income from other sources
(B) Income from business
(C) Salary
(D) None of the above
49. Under Section 15 of Income Tax Act, the salary due in previous years and even if it is not received is
- (A) Taxable
(B) Not taxable
(C) Partially taxable
(D) None of the above
50. The entertainment tax allowed as a deduction under Section 16 of Income Tax Act is the least of
- (A) Actual amount of entertainment allowance received
(B) 20% of basic salary of the individual
(C) ₹ 5,000
(D) All of the above

51. Which one of the following is not a tax saving investment ?
- (A) Fixed Deposit
 (B) Home Loan Principal Repayment
 (C) Life Insurance Premium
 (D) None of the above
52. Which of the following terminology is not related to income tax ?
- (A) Leave Travel Concession
 (B) Dearness Allowance
 (C) Taxpayer Identification Number
 (D) None of the above
53. Gift to an employee by an employer, where the value of the gift is below ₹ shall be treated as a tax free perquisite.
- (A) 10,000
 (B) 20,000
 (C) 5,000
 (D) None of the above
54. Income is taxable the head 'Salaries' only if there exists a/an relationship between the payer and payee.
- (A) Employer-Employee
 (B) Government-Member of Parliament
 (C) Seller-Buyer
 (D) Student-Principal
55. For assessment year 2020-21, the maximum permissible deduction under Section 80C is
- (A) ₹ 2,00,000
 (B) ₹ 5,00,000
 (C) ₹ 1,50,000
 (D) None of the above
56. Ram, has rendered his services in India and retired in 2019. He then shifted and settled in America. The pension received by him for such services would be :
- (A) Deemed to accrue or arise outside India.
 (B) Deemed to accrue or arise in India only when it is received in India.
 (C) Deemed to accrue or arise in India only when it is received outside India.
 (D) Deemed to accrue or arise in India.
57. For the assessment year 2020-21, deduction has been provided in respect of interest payable for loan taken for purchase of electric vehicle in
- (A) Section 80EEB
 (B) Section 80G
 (C) Section 80GG
 (D) None of the above

58. Surcharge of 10% (percent) is payable by an individual where the total income exceeds :
- (A) ₹ 10,00,000
 (B) ₹ 50,00,000
 (C) ₹ 8,50,000
 (D) None of the above
59. Income tax is imposed by
- (A) State Government
 (B) Central Government
 (C) Both of the above
 (D) Constitution of India
60. Income Tax Act, 1961 applies to
- (A) Whole of India
 (B) Whole of India excluding J & K
 (C) Maharashtra
 (D) All of the above
61. Income Tax Act came into force on
- (A) 1-4-1961
 (B) 1-4-1962
 (C) 1-4-1956
 (D) 1-4-1965
62. The term 'Person' includes
- (A) Registered firm
 (B) Unregistered firm
 (C) Both (A) and (B)
 (D) Neither (A) nor (B)
63. Assessment year is the period of 12 months commencing on 1st day of :
- (A) April every year
 (B) December every year
 (C) July every year
 (D) January every year
64. First previous year in case of a business or profession newly set up on 31-3-2019 would be
- (A) Start from 1-4-2018 and end on 31-3-2019
 (B) Start from 31-3-2019 and will end on 31-3-2019
 (C) Start from 1-1-2019 and end on 31-12-2019
 (D) None of the above

65. As per Section 2(7) , ‘Assessee’ means a person :
- (A) By whom any tax or other sum of money is payable
 - (B) Against whom proceeding has been taken under the Act
 - (C) A person deemed to be assessee in default
 - (D) All of the above
66. ‘Income’ includes the following types ;
- (A) Legal
 - (B) Illegal
 - (C) Both (A) and (B)
 - (D) None of the above
67. Year in which income is taxable is known as and year in which income is earned is known as :
- (A) PY, AY
 - (B) AY, PY
 - (C) AY, AY
 - (D) PY, PY
68. Income received in India during the previous year is taxable in the case of
- (A) ROR
 - (B) RNOR
 - (C) NR
 - (D) All of the above
69. Residential status of company is determined :
- (A) u/S 6(4)
 - (B) u/S 6(1)
 - (C) u/S 6(6)
 - (D) None of the above
70. Income accruing in London and received there is taxable in India in the case of
- (A) ROR
 - (B) RNOR
 - (C) NR
 - (D) ROR and RNOR
71. Income earned and received outside India but later on remitted to India, is taxable to :
- (A) ROR
 - (B) RNOR
 - (C) NR
 - (D) None of the above
72. Foreign income means
- (A) Income accrued, deemed to be accrued in India
 - (B) Income received, deemed to be received in India
 - (C) Both (A) and (B)
 - (D) None of the above

73. Government of India paid salary of ₹ 5 lacs and allowances, perquisites of ₹ 2.20 lacs to a person who is citizen of India for services rendered by him outside India. His taxable income will be
- (A) ₹ 7.2 lacs
 (B) ₹ 5 lacs
 (C) ₹ 6.1 lacs
 (D) Nil
74. Parliament has the power to levy tax on incomes other than :
- (A) Exempt incomes
 (B) Income of poor people
 (C) Agricultural income
 (D) All incomes are taxable
75. Highest Administrative Authority for Income Tax in India is :
- (A) Finance Minister
 (B) CBDT
 (C) President of India
 (D) Director of Income Tax
76. Finance Bill becomes the Finance Act when it is passed by
- (A) Lok Sabha
 (B) Both Lok Sabha and Rajya Sabha
 (C) Both House of Parliament and signed by President
 (D) Both House of Parliament and signed by Prime Minister
77. A domestic company means :
- (A) Indian company only
 (B) Both Indian company and foreign company
 (C) Both Indian company and a foreign company having business connection in India
 (D) Both Indian company and a foreign company which has made the prescribed arrangement for declaration and payment of dividends in India out of the income chargeable to tax in India.
78. What is not included in taxable Income ?
- (A) Income from smuggling activity
 (B) Casual income
 (C) Capital receipt, except gains on transfer of capital asset
 (D) None of the above
79. A company incorporated outside India having its place of effective management fully situated in India in the previous year will be treated as :
- (A) NR
 (B) ROR
 (C) RNOR
 (D) Resident

80. Income which accrue outside India from business controlled from India is not taxable in India in the case of :
- (A) ROR
(B) RNOR
(C) NR
(D) All of the above
81. Body of individuals consists of :
- (A) Individuals (only)
(B) Company
(C) Any person other than (A)
(D) Any kind of person
82. Income includes the following types :
- (A) Legal
(B) Illegal
(C) Both (A) and (B)
(D) None of the above
83. Which of the following income is not included in the term 'income' ?
- (A) Profit and gains
(B) Dividend
(C) Profit in lieu of salary
(D) Reimbursement of travelling expenses
84. If Karta is ROR in India but control and management of HUF is situated partly outside India in PY, HUF is :
- (A) ROR
(B) RNOR
(C) NR
(D) None of the above
85. Income accruing from agriculture in a foreign country is taxable in India in case of an assessee who is :
- (A) ROR
(B) RNOR
(C) NR
(D) None of the above
86. Mr. Ram owns a house property. He lent it to Laxman at ₹ 10,000 p.m. Laxman sublet it to Mr. Maruti on monthly rent of ₹ 20,000 p.m. Rental income of Laxman is taxable under the head :
- (A) income from salary
(B) income from other sources
(C) income from house property
(D) income from business

87. Calculate the Gross Annual Value from the following details :
- Municipal Value ₹ 45,000; Fair rental value ₹ 50,000; Standard rent 48,000 and Actual rent ₹ 42,000 :
- (A) ₹ 50,000
 (B) ₹ 48,000
 (C) ₹ 45,000
 (D) ₹ 42,000
88. Value of rent-free accommodation or a house owned by employer in case of non-government employees with above 25 lakh population is :
- (A) 15% of employee salary
 (B) 7.5% of employee salary
 (C) 20% of employee salary
 (D) None of the above
89. Deduction from annual value is allowed under :
- (A) Section 24
 (B) Section 25
 (C) Section 27
 (D) Section 28
90. standard deduction from annual value is allowed.
- (A) 10%
 (B) 20%
 (C) 30%
 (D) 15%
91. How many heads of income are there to compute Gross Total Income of an assessee ?
- (A) 3
 (B) 4
 (C) 5
 (D) 6
92. For computation of tax agriculture income is included in the total income of :
- (A) Individual
 (B) Firm
 (C) Company
 (D) None of the above

93. Every year the residential status of an assessee :
- (A) may change
 (B) will certainly change
 (C) will not change
 (D) None of the above
94. Agriculture income in Pakistan is assessable for :
- (A) Resident
 (B) Non-resident
 (C) Both (A) and (B)
 (D) Not taxable
95. Education allowance is exempted for :
- (A) One person
 (B) Two persons
 (C) Four persons
 (D) None of the above
96. The maximum amount for deduction as entertainment allowance to a government employee :
- (A) ₹ 5,000
 (B) ₹ 2,500
 (C) ₹ 10,000
 (D) ₹ 15,000
97. Value of the facility of gardener is taxable for :
- (A) Every employee
 (B) Specified employee
 (C) Officer
 (D) Director
98. Deduction allowed from gross salary :
- (A) Professional tax
 (B) Income tax
 (C) Entertainment tax
 (D) Insurance premium
99. House Rent Allowance is :
- (A) Fully exempted
 (B) Exempted to a certain limit
 (C) Exempted in big cities
 (D) Exempted for Government Employees
100. Cost of Education for the employer is ₹ 1,200 p.m. per child. For employee taxable value of free education to his child shall be :
- (A) ₹ 1,000 p.m.
 (B) ₹ 1,200 p.m.
 (C) ₹ 200 p.m.
 (D) Nil

4. Four alternative answers are mentioned for each question as—A, B, C & D in the booklet. The candidate has to choose the most correct/appropriate answer and mark the same in the OMR Answer-Sheet as per the direction :

Example :

Question :

Q. 1 (A) ● (C) (D)

Q. 2 (A) (B) ● (D)

Q. 3 (A) ● (C) (D)

Illegible answers with cutting and over-writing or half filled circle will be cancelled.

5. Each question carries equal marks. Marks will be awarded according to the number of correct answers you have.
6. All answers are to be given on OMR Answer sheet only. Answers given anywhere other than the place specified in the answer sheet will not be considered valid.
7. Before writing anything on the OMR Answer Sheet, all the instructions given in it should be read carefully.
8. After the completion of the examination candidates should leave the examination hall only after providing their OMR Answer Sheet to the invigilator. Candidate can carry their Question Booklet.
9. There will be no negative marking.
10. Rough work, if any, should be done on the blank pages provided for the purpose in the booklet.
11. To bring and use of log-book, calculator, pager and cellular phone in examination hall is prohibited.
12. In case of any difference found in English and Hindi version of the question, the English version of the question will be held authentic.

Impt. : On opening the question booklet, first check that all the pages of the question booklet are printed properly. If there is any discrepancy in the question Booklet, then after showing it to the invigilator, get another question Booklet of the same series.

4. प्रश्न-पुस्तिका में प्रत्येक प्रश्न के चार सम्भावित उत्तर— A, B, C एवं D हैं। परीक्षार्थी को उन चारों विकल्पों में से एक सबसे सही अथवा सबसे उपयुक्त उत्तर छोटना है। उत्तर को OMR आन्सर-शीट में सम्बन्धित प्रश्न संख्या में निम्न प्रकार भरना है :

उदाहरण :

प्रश्न :

प्रश्न 1 (A) ● (C) (D)

प्रश्न 2 (A) (B) ● (D)

प्रश्न 3 (A) ● (C) (D)

अपठनीय उत्तर या ऐसे उत्तर जिन्हें काटा या बदला गया है, या गोले में आधा भरकर दिया गया, उन्हें निरस्त कर दिया जाएगा।

5. प्रत्येक प्रश्न के अंक समान हैं। आपके जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
6. सभी उत्तर केवल ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर ही दिये जाने हैं। उत्तर-पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
7. ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाये।
8. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी OMR Answer Sheet उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें। परीक्षार्थी अपने साथ प्रश्न-पुस्तिका ले जा सकते हैं।
9. निगेटिव मार्किंग नहीं है।
10. कोई भी रफ कार्य, प्रश्न-पुस्तिका के अन्त में, रफ-कार्य के लिए दिए खाली पेज पर ही किया जाना चाहिए।
11. परीक्षा-कक्ष में लॉग-बुक, कैलकुलेटर, पेजर तथा सेल्युलर फोन ले जाना तथा उसका उपयोग करना वर्जित है।
12. प्रश्न के हिन्दी एवं अंग्रेजी रूपान्तरण में भिन्नता होने की दशा में प्रश्न का अंग्रेजी रूपान्तरण ही मान्य होगा।

महत्वपूर्ण : प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्न-पुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्षनिरीक्षक को दिखाकर उसी सिरीज की दूसरी प्रश्न-पुस्तिका प्राप्त कर लें।