

**U.G. 4th Semester Examination - 2022****B.B.A.****[HONOURS]****Course Code : BBBASEHT405****Course Title: Fundamentals of Direct Taxation**

Full Marks : 50

Time : 2 Hours

*The figures in the right-hand margin indicate marks.*

Answer **all** the following questions by choosing the correct alternative out of four options:  $2 \times 25 = 50$

1. A person includes
  - a) Individual & HUF
  - b) Firm & Company
  - c) AOP/BOI, LA, Every AJP
  - d) All of the above.
2. Income from Salary is explained in the section
  - a) 12 to 14
  - b) 15 to 17
  - c) 18 to 22
  - d) 24 to 26
3. Bonus paid by the employer to the employee is
  - a) Fully Taxable
  - b) Partly Taxable
  - c) Fully Exempted
  - d) None of these
4. Gratuity is defined as per section
  - a) 10(10A)
  - b) 10(10AA)
  - c) 10(10)
  - d) 10A
5. Under the Head Income from House Property, the basis of charge is the \_\_\_\_\_ of property.
  - a) Annual value
  - b) quarterly value
  - c) half-quarterly value
  - d) None of the above
6. Education allowance is exempted for
  - a) One person
  - b) Four persons
  - c) Two persons
  - d) None of these
7. Mr Sharma contributed to a political party, he can avail deduction under
  - a) Section 80G
  - b) Section 80GGB
  - c) Section 80GGC
  - d) Section 80GGD
8. Payment of LIC premium can be claimed as deduction u/s \_\_\_\_\_.
  - a) 80 C
  - b) 80 CCC
  - c) 80 D
  - d) 80 DD
9. Income from subletting is charged under the head:
  - a) Income from other sources
  - b) Income from house property
  - c) Capital gain
  - d) Income from business

10. When a receipt is determined as Capital Receipt or Revenue Receipt?
- At the time it is received
  - While preparing final accounts
  - When the received amount is used
  - None of the above
11. Which of the following is not a capital expense?
- Installation expenditure of plant of a company.
  - Legal expenses for reduction of capital.
  - Commission to employees to achieve sales Targets.
  - Expenses of promoting a company.
12. Deduction in respect of contribution to pension scheme of central government comes under \_\_\_\_\_ of Income Tax Act, 1961.
- Section 80CCD
  - Section 80U
  - Section 80EE
  - Section 80G
13. Salary received by a member of parliament is.
- Taxable as salary income
  - Exempt from tax sources
  - Taxable as income from other sources.
  - None of these.
14. Deduction in respect of medical insurance premium is allowed under
- Section 80C
  - Section 80D
  - Section 80DD
  - Section 80U
15. The process of including income belonging to some other person in the hands of the assessee is called
- Clubbing
  - Grossing up
  - Bond washing
  - Evasion
16. If the assessee is living in own house HRA is
- Fully Taxable
  - Partly Taxable
  - Fully Exempted
  - None of these
17. Under the Income Tax Act, the incidence of taxation depends on
- Citizenship of the tax payer
  - Age of the tax payer
  - The Residential status of the tax payer
  - The Gender of the tax payer
18. The Income Tax Act, 1961 came into force w.e.f.
- 1st April, 1962
  - 31st March, 1961
  - 1st April, 1961
  - None of above

19. Income tax is charged in
- Financial Year
  - Assessment Year
  - Previous Year
  - Accounting Year
20. Agriculture income is
- Fully taxable
  - Not taxable
  - Partly taxable
  - None of the above
21. What is the exemption limit for children education allowance?
- ₹200 per month per child for maximum two children
  - ₹100 per month per child for maximum three children
  - ₹200 per month per child for maximum three children
  - ₹100 per month per child for maximum two children
22. Which of the following is an exempted salary?
- Payment by the employer in kind
  - Salary from the former employer
  - Salary received by UNO employees
  - Leave salary
23. CBDT stands for
- Central Bureau of Direct Taxes
  - Citizen's Board of Direct Taxes
  - Central Board of Direct Taxes
  - Citizen's Bureau of Direct Taxes
24. Deduction u/s 24(a) is
- 30% of net annual value of the house property
  - 30% of gross annual value of house property
  - 30% of actual rent received
  - None of the above
25. Identify the incorrect percentage of maximum deduction available against the fund
- National Children's Fund - 100%
  - PM Drought Relief Fund – 50%
  - National Sports Fund – 100%
  - Fund for Technology Development and Application – 100%