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Maximum Weight : 5

MCQ—INCOME TAX—LAW AND PRACTICE

Section II

[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]

UG CBCSS INTERNAL EXAMINATION, JUNE 2026

DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN SECTION II OF THE QUESTION PAPER

Answer **all** *questions.*
All questions carry equal weight.
Put a tick mark [✓] *in the column against the correct answer.*

1. In which year Income Tax was levied in India for the first time ?

   (A) 1960. ☐ (B) 1961 ☐

   (C) 1860. ☐ (D) 1857. ☐

2. Who is Tax payer ?

   (A) Assessee. ☐ (B) Businessman. ☐

   (C) Trust. ☐ (D) Govt. employee. ☐

3. Agriculture Income is ————.

   (A) Taxable. ☐ (B) Not taxable. ☐

   (C) Partly taxable. ☐ (D) None of these above ☐

4. The highest Administrative Authority for Income Tax in India is ————

   (A) Finance Minister. ☐ (B) CBDT. ☐

   (C) President of India. ☐ (D) Director of Income Tax. ☐

Turn over

5. The number allotted by income tax authorities to assessees for identification and which should be quoted in all documents and correspondence is ————.

(A) I. D. No. ☐

(B) Register No. ☐

(C) Permanent Account Number (PAN). ☐

(D) Licence No. ☐

6. Due date of filing of return by a non business assessee is ————.

(A) 30th June. ☐ (B) 31st August. ☐

(C) 31st July. ☐ (D) 30th November. ☐

7. Residential status is determined for ————.

(A) Previous year. ☐ (B) Assessment year. ☐

(C) Accounting year. ☐ (D) Financial year. ☐

8. Receipt of amount on maturity of LIC Policy is ————.

(A) A revenue receipt. ☐ (B) A capital receipt. ☐

(C) A casual receipt. ☐ (D) None of these. ☐

9. Residential status of taxable entities is ————.

(A) Fixed in nature. ☐

(B) Can change from year to year. ☐

(C) Fixed once in 5 years. ☐

(D) None of these. ☐

10. An individual who wants to be resident of India must satisfy at least ————.

(A) One of the Two basic conditions. ☐

(B) Both the basic conditions. ☐

(C) Both the additional conditions. ☐

(D) Both the basic conditions and the additional conditions. ☐

11. A person who is of Indian origin visiting India during the previous year to be called resident must stay in India for at least ————.

(A) 60 days in PY. ☐

(B) 6 days in PY and 365 days or more during 4 years preceding the PY. ☐

(C) 182 days in PY. ☐

(D) 730 days during 7 years preceding the PY. ☐

12. A person is Non resident if he fails to fulfil ————.

(A) The additional conditions. ☐

(B) At least on of the basic conditions. ☐

(C) Both basic conditions. ☐

(D) None of these. ☐

13. Salary paid by an Indian company to its employees working in one of its branches outside India is ————.

(A) Salary accruing in India. ☐

(B) Salary deemed to accrue in India. ☐

(C) Salary accruing outside India. ☐

(D) None of these. ☐

14. Income accrued and received outside India is taxable in the hands of ————.

(A) Non-resident. ☐

(B) Resident and ordinarily resident. ☐

(C) Resident and not ordinarily. ☐

(D) None of these residents. ☐

15. Incomes on which Income tax is not charged are called ————.

(A) Exceptional incomes. ☐ (B) Privileged incomes. ☐

(C) Exempted incomes. ☐ (D) None of the above. ☐

16. Under section 44AB 'specified date' means, ————.

(A) 30th June. ☐ (B) 30th September. ☐

(C) 30th November. ☐ (D) 31st December. ☐

17. Shares held for less than 12 months are ————.

(A) Short term capital asset. ☐ (B) Long term capital asset. ☐

(C) Exempted capital asset. ☐ (D) Projected capital asset. ☐

18. Cost inflation rules for the purpose of long term capital gain has been notified by Central Government every year starting from the financial year ————.

(A) 1991-92. ☐ (B) 1985-86. ☐

(C) 1981-82. ☐ (D) 1975-76. ☐

19. Long term capital gain on sale of unlisted shares are ————.

(A) Taxable. ☐ (B) Exempted. ☐

(C) Partially Exempted. ☐ (D) Partially Taxable. ☐

20. Which one of the following is not an admissible expense ?

(A) Income tax. ☐ (B) Excise duty. ☐

(C) Bad debt. ☐ (D) Sales tax. ☐

No. of MCQs attempted ☐ Weight Scored ☐

(To be entered by the examiner)

No. of MCQs not attempted ☐

ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER WITH THE MAIN ANSWER-BOOK