

**Objectives Type Questions -**

1. Excess of the following in Indian Tax system
  - a) Direct Taxes
  - b) Indirect Taxes
  - c) Unreasonable Taxes
  - d) Good Taxes
2. Demerit of Indian tax system is
  - a) Tax evasion
  - b) Corruption
  - c) High rules
  - d) All of above
3. After liberalization Indian Tax system is
  - a) Improved
  - b) Not improved
  - c) Stablesed
  - d) Not effected
4. Tax imposed by-
  - a) Central government
  - b) State govt.
  - c) Local bodies
  - d) All of above
5. Tax is a:
  - a) Compulsory contribution
  - b) Voluntary contribution
  - c) Payment against service
  - d) All of above
6. Main object of taxation is:
  - a) Collect revenue
  - b) Equal distribution of wealth
  - c) Contract on completion
  - d) All of above
7. The most important means of government revenue us:
  - a) Royalty
  - b) Fees
  - c) Tax
  - d) All of above
8. Impact of Indirect tax on:
  - a) Trader
  - b) Consumer
  - c) Income Tax rayer
  - d) None of above
9. Example of Direct tax is:
  - a) Income tax
  - b) Wealth tax
  - c) Expenditure tax
  - d) All of above
10. Distribution of resources is made by-
  - a) Law
  - b) Central govt.
  - c) Constitution
  - d) All of above'
11. Right of imposing tax on sales:
  - a) Central govt.
  - b) State govt.
  - c) Municipal corporation
  - d) All of above[
12. Indian Tax structure:
  - a) Centralized
  - b) Two level
  - c) Three level
  - d) Multi level
13. Income tax is imposed on:
  - a) Individuals
  - b) Firms
  - c) Companies
  - d) All of above
14. Tax on companies income is-
  - a) Income tax
  - b) Corporate tax
  - c) Company tax
  - d) All of above
15. Income tax exemption limit for A.Y. 2015-16
  - a) 2,00,000/-
  - b) 1,80,000/-
  - c) 2,50,000/-
  - d) 2,20,000/-
16. Peak rate of custom duty is:
  - a) 10%
  - b) 12.5%
  - c) 15%
  - d) 20%
17. Central Sales tax collected by-
  - a) Central govt.
  - b) State govt.
  - c) Govt. of other state
  - d) None of above
18. Incidence of Income tax on:
  - a) Tax payer
  - b) Company
  - c) Share holder
  - d) All of above

19. Custom duty is imposed on  
a) Import  
b) Export  
c) Import & Export  
d) Sales
20. Example of Indirect tax is:  
a) Custom duty  
b) Local revenue  
c) Professional tax  
d) All of above
21. The following is not a state tax:  
a) Stamp fees  
b) Entertainment tax  
c) Agricultural Income tax  
d) Service tax
22. Octroi is  
a) Central tax  
b) State tax  
c) Local tax  
d) Panchayat tax
23. VAT is:  
a) Tax on sales of goods  
b) Indirect tax  
c) State tax  
d) All of above
24. Land revenue is  
a) Oldest tax  
b) Tax on land  
c) Provincial tax  
d) All of above
25. In which year Income tax was levied on first time:  
a) 1857  
b) 1859  
c) 1860  
d) 1861
26. At present Income tax Act ..... is applicable:  
a) 1857  
b) 1939  
c) 1961  
d) 2014
27. Rate of Income tax are fixed wised:  
a) The Income tax act  
b) The finance Act  
c) An ordinance  
d) Notification of C.B.D.T.
28. Agricultural Income is  
a) Income from sales of crop  
b) Income from Nursery  
c) Income from preparation of crop  
d) All of above
29. Non-agricultural Income is-  
a) Milk dairy income  
b) Income from mines  
c) Income from fishery  
d) All of above
30. Partly agricultural Income is-  
a) Tea garden Income  
b) Nursery Income  
c) Self grocery trees  
d) None of above
31. Excepted Income is-  
a) Not taxable Income tax  
b) Not included in total Income  
c) Agricultural Income  
d) All of above
32. Minor Income is exempt to the extent of  
a) 1000/-  
b) 1500/-  
c) 5000/-  
d) Fully exempt
33. In which section of the Income tax Act exempted Income tax have been mentioned:  
a) Sec 10  
b) Sec 80C  
c) Sec 13  
d) Sec 2
34. Tax free income from the following is:  
a) Agriculture Income  
b) Foreign allowance  
c) Dividend from Indian company  
d) All of above
35. The daily allowance received by a member of parliament is-  
a) Exempt  
b) Taxable  
c) To be included in total income for tax purpose  
d) None of these
36. Types of assesses are from residential point of view:  
a) 2  
b) 3  
c) 4  
d) Many

37. Individual assesses may be:
- a) Ordinary resident
  - b) Not-ordinary resident
  - c) Non-resident
  - d) Any one of above
38. Company may be:
- a) Resident
  - b) Non-Resident
  - c) Not-ordinary resident
  - d) Resident or non-resident
39. Staying in India to fulfill basic condition:
- a) At least 180 days
  - b) At least 182 days
  - c) By birth
  - d) At least 60 days
40. Not ordinary resident may be:
- a) Individual
  - b) Hindu undivided family
  - c) Both (a) & (b)
  - d) Company
41. Every year the residential states of an assessee:
- a) May change
  - b) Will certainly change
  - c) Will not change
  - d) None of the these
42. Not taxable for non residents:
- a) Income accrued in India
  - b) Income received in India
  - c) Foreign income
  - d) Income from India
43. Individual assess may be-
- a) Ordinary resident
  - b) Not ordinary resident
  - c) Non-resident
  - d) Any one of the above
44. Sum of various heads called-
- a) Taxable Income
  - b) Total Income
  - c) Errors total Income
  - d) Adjusted Income
45. Income tax was levied in India first time by the following:
- a) Sir James Wilson
  - b) Sir James Robert
  - c) Sir Newton
  - d) Sir Albert
46. Income from business in America controlled from India is taxable for:
- a) Ordinary resident
  - b) Not ordinary resident
  - c) Both (a) & (b)
  - d) Non resident
47. Levels of Indian tax systems are
- a) 1
  - b) 2
  - c) 3
  - d) Many
48. Excess of the following in Indian tax system:
- a) Direct taxes
  - b) Indirect taxes
  - c) Unreasonable taxes
  - d) Equal taxes
49. Tax payer gets against tax-
- a) Facility
  - b) No facility
  - c) Permission for work
  - d) None of above
50. Tax on sales – purchase of goods is
- a) Sales tax
  - b) Commercial tax
  - c) VAT
  - d) All of above