

Course
&
Test Series

Self-Made Assignment - Advanced Accounting

Income and Heads of Income

Multiple Choice Questions (MCQs)

- Income from salary is taxed under which head?
 - Income from House Property
 - Salaries
 - Capital Gains
 - Business Income
- Capital Gains arise from:
 - Lottery winnings
 - Rent from property
 - Sale of capital assets
 - Salary bonuses
- HRA received by an employee is:
 - Fully taxable
 - Fully exempt
 - Partially exempt
 - Not income
- Which of the following is not a head of income under Indian tax laws?
 - Salary
 - Income from Business
 - Income from Agriculture
 - Capital Gains
- Income from professional services like those of a doctor is taxed under:
 - Salary
 - House Property
 - Business or Profession
 - Other Sources
- Municipal taxes paid on a rented house are:
 - Added to income
 - Deducted from income
 - Ignored
 - Fully exempt

Banking &
Insurance

Central Govt.
Service

State Govt.
Services

LAW
Entrance

MBA
Entrance

Railways & Metro
Services

...many more

abhyasonline.in

Course
&
Test Series

Self-Made Assignment - Advanced Accounting

Income and Heads of Income

7. Which one of these is considered a capital asset?

- A. A car used for personal use
- B. Stock-in-trade
- C. Furniture in a factory
- D. Bank account

8. Which head covers rental income from machinery?

- A. Business
- B. House Property
- C. Capital Gains
- D. Other Sources

9. The full salary before deductions is known as:

- A. Net salary
- B. Taxable income
- C. Gross salary
- D. Take-home pay

10. Mr. A received a pension from his previous job. It is taxable under:

- A. Other Sources
- B. Capital Gains
- C. Salaries
- D. Business

11. The amount after deducting business expenses is called:

- A. Gross Profit
- B. Revenue
- C. Net Profit
- D. Turnover

12. What type of income is "winnings from a game show"?

- A. Business Income
- B. Salary
- C. Other Sources
- D. Capital Gains

13. Salary is received:

- A. Occasionally
- B. As dividend

Banking &
Insurance

Central Govt.
Service

State Govt.
Services

LAW
Entrance

MBA
Entrance

Railways & Metro
Services

...many more

abhyasonline.in

Course
&
Test Series

Self-Made Assignment - Advanced Accounting

Income and Heads of Income

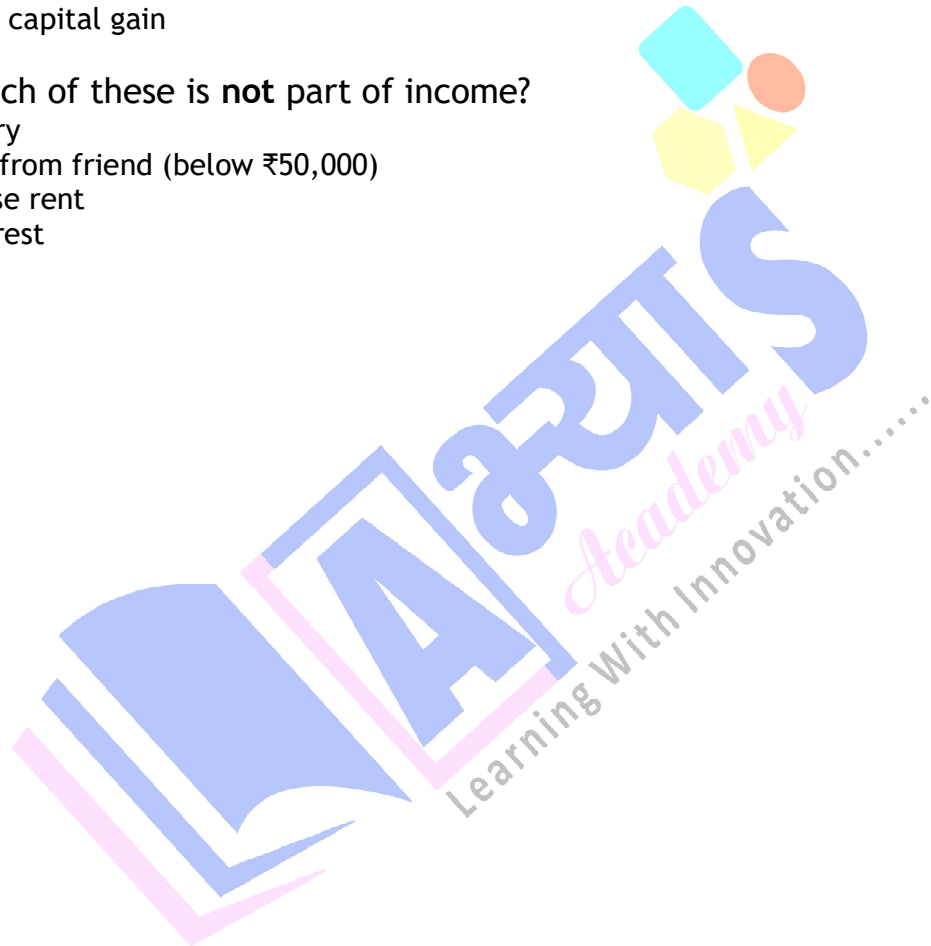
- C. As interest
- D. Monthly for work done

14. Income is:

- A. Only salary
- B. Only rent
- C. Total of all sources
- D. Only capital gain

15. Which of these is **not** part of income?

- A. Salary
- B. Gift from friend (below ₹50,000)
- C. House rent
- D. Interest



 **CBSE**

 **ICSE**

 **NTSE**

 **Banking & Insurance**

 **Central Govt. Service**

 **State Govt. Services**

 **LAW Entrance**

 **MBA Entrance**

 **Railways & Metro Services**

...many more

abhyasonline.in