

Direct Tax – II

1. Provisions for the "income of other persons included in assessee's total income" are presented in the taxation law in the sections:-
 - a) 55 to 60
 - b) 11 to 15
 - c) 45 to 48
 - d) 60 to 64**

2. When the transfer is revocable, income is transferred from one person to another without the transferring of the asset from which income arises is included in the income of the transferee.
 - a) True
 - b) May be
 - c) False**
 - d) Sometimes

3. What is the condition for the applicability of the clubbing provision when the husband & wife have substantial interest in the concern remuneration?
 - a) The relationship of the husband & wife subsists at the time of accrual of such income
 - b) There are quarrels of remuneration amount in the husband & wife
 - c) Either (a) or (b)
 - d) Both (a) & (b)

4. Income Tax is a(n) _____ tax.
 - a) Composite**
 - b) Capital
 - c) Indirect
 - d) Revenue

5. Where the loss does not exceed Rs. 10,000:-
 - a) Assessing Officer shall obtain prior approval of the Director General of Income Tax
 - b) The power of the condonation & rejection lies with the CBDT
 - c) Assessing Officer shall obtain prior approval of the Commissioner of Income Tax
 - d) Assessing Officer shall obtain prior approval of the Chief Commissioner of Income Tax

6. When the loss incurred by an assessee from a source of income which is exempted under that source, it:-

- a) Cannot be set-off against income from a taxable source
- b) Can be set-off against income from a taxable source**
- c) Cannot be always set-off against income from a taxable source
- d) May not set-off against income from a taxable source