



# ST. LAWRENCE HIGH SCHOOL

*A Jesuit Christian Minority Institution*



## Answer Key 49

**Sub: Costing & Taxation**

**Class: XII**

**Chapter: Unit II: Income from Capital Gain**

**F.M.: 15**

**Topic: Introduction & Basis of Charge**

**Date: 7/11/2020**

**Choose the correct alternatives:**

**1 x 15 =15**

1. Identify the section of Income Tax Act which is relevant to capital asset?  
**(a) section 45;** (b) section 45(1); (c) section 54; (d) section 54F.
2. Identify the section of Income Tax Act which is relevant to capital gain?  
**(a) section 45; (b) section 45(1);** (c) section 54; (d) section 54F.
3. If a property is bought at ₹ 5,00,000 and sold at ₹ 5,50,000, then amount of capital gain is  
**(a) ₹ 5,00,000; (b) ₹ 5,50,000; (c) ₹ 50,000; (d) none of these.**
4. If furniture is bought at ₹ 50,000 and sold ₹ 60,000 then amount of capital gain is  
**(a) ₹ 50,000; (b) ₹ 10,000; (c) ₹ 60,000; (d) none of these.**
5. Capital asset is  
**(a) chargeable to income tax; (b) not chargeable to income tax;** (c) occasionally chargeable to income tax; (d) none of these.
6. Which of the following is not a capital asset?  
**(a) leasehold property; (b) goodwill; (c) US Dollar; (d) 6.5% gold bond.**
7. Which of the following is a capital asset?  
**(a) stainless steel utensils; (b) silver utensils; (c) copper utensils; (d) none of these.**
8. Capital gain is exempt under section  
**(a) 54; (b) 54B; (c) 54D; (d) all of these.**
9. Capital gain comes under the head of  
**(a) salaries; (b) income from other sources; (c) profit from business; (d) none of these.**
10. A car dealer has 10 motor cars in his stock, it is considered as  
**(a) fixed asset; (b) capital asset; (c) stock-in-trade; (d) none of these.**
11. As per Income Tax Act, 1961, capital assets are  
**(a) tangible; (b) intangible; (c) both tangible and intangible; (d) none of these.**
12. Capital gain is the income to the year in which it is  
**(a) bought; (b) manufactured; (c) sold; (d) none of these.**
13. Mr. A has a piece of agricultural land in the Fern Road, Gariahat, Kolkata, where he grows pumpkins on commercial basis. State the status of such land.  
**(a) agricultural land; (b) non-agricultural land; (c) industrial land; (d) none of these.**
14. Examples of transfer of assets are there-----  
**(a) A lease of mines for a salami or advance;** (b) any transfer of a land of a sick industry; (c) any distribution of capital assets after partition of a HUF; (d) any transfer of a capital assets by a company to its Indian Subsidiary Co.
15. Antique furniture is  
**(a) capital asset;** (b) capital gain; (c) non-capital asset; (d) none of these.

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