

**FIN623-TAXATION MANAGEMENT**  
**Spring Semester 2009**  
**Marks: 20**

**NOTE: READ AND STRICTLY FOLLOW ALL THESE INSTRUCTIONS BEFORE ATTEMPTING THE QUIZ.**

**INSTRUCTIONS**

- This quiz covers Lesson # 01- 10.
- Do not use red color in your quiz. It is used only for marking purpose.
- Last date for submission of quiz is **26-03-2009**. It means you can submit your quiz till **27-03-2009, 12'O clock mid night**.
- Upload your quiz with in due date and time. No quiz will be accepted after due date and time via email.
- Write down only one option in the answer sheet which you think is correct. More than one answer will be marked zero.
- Submit your quiz in the word document not as a PDF file.
- Please submit your solution files (a word document) as given below

**ANSWER SHEET TO SOLVE THE QUIZ**

- Copy the following sheet and solve your quiz by providing answer in the given column.
- In the “*Selected Option*” column, write down only the option number (e-g a, b, c, d) against each question number which you consider is the correct one.
- Upload only the answer sheet on VULMS. Don't upload the whole quiz.

Student ID/Login ID: \_\_\_\_\_

Student Name: \_\_\_\_\_

Question Number	Selected Option
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**QUIZ # 1**

- 1. Which of the following is the general definition of tax?**
  - a) Compulsory contribution of wealth by persons
  - b) Optional contribution of wealth by persons
  - c) Compulsory contribution of wealth by state
  - d) Optional contribution of wealth by state
  
- 2. Which of the following is best meaning of statutory definition?**
  - a) Defined by statue
  - b) In compliance to statue
  - c) Relating to laws passed by the legislative department of government
  - d) All of the given options
  
- 3. A tax levied on the financial income of Persons, Corporations, or other legal entities is called as:**
  - a) Corporation tax
  - b) Property tax
  - c) Sales Tax
  - d) Income Tax
  
- 4. Which of the following canon of taxation suggests that there should not be any arbitrariness or ambiguity in respect of amount of tax paid?**
  - a) Simplicity
  - b) Convenience
  - c) Certainty
  - d) Capacity to Pay
  
- 5. Removal of deficit in Balance of Payments is one of the objectives of which of the following policy?**
  - a) Monetary policy
  - b) Fiscal policy
  - c) Trade Policy
  - d) Economic Policy
  
- 6. Which of the following is the main source of revenue generation of the state?**
  - a) Taxes & Tariffs
  - b) Internal Borrowing
  - c) External Borrowing
  - d) Penalties & Fines

- 7. The tax imposed by Federal Government relates to which of the following type?**
- a) Regressive tax
  - b) Value-added tax
  - c) Progressive tax
  - d) Form of sales tax
- 8. Which of the following is not an employment tax?**
- a) Social Security Tax
  - b) Federal Excise Tax
  - c) Federal unemployment compensation tax
  - d) State unemployment compensation tax
- 9. \_\_\_\_\_ is paid to the government on goods and services and can be reclaimed by retailers.**
- a) Income Tax
  - b) Value Added Tax
  - c) Capital Value Tax
  - d) Wealth Tax
- 10. Which of the following tax is paid in relation to how much you earn?**
- a) Income Tax
  - b) Inheritance Tax
  - c) Value added Tax
  - d) Sales Tax
- 11. Which of the following was the First law on Income Tax promulgated in Pakistan?**
- a) 1<sup>st</sup> July, 1979
  - b) 1<sup>st</sup> July, 1969
  - c) 1<sup>st</sup> July, 1949
  - d) 1<sup>st</sup> July, 2002
- 12. How many Schedules are contained in the Income Tax Ordinance 2001?**
- a) Three Schedule
  - b) Fifth Schedule
  - c) Seven Schedules
  - d) Nine Schedules
- 13. Law making is the prime responsibility of which of the following authorities?**
- a) Parliament
  - b) Supreme Court
  - c) High Court
  - d) City Court

**14. Which one of the following is the internal aid and help in the interpretation of law?**

- a) Punctuation marks
- b) CBR's circulars
- c) Definitions in other statutes
- d) Departmental manuals

**15. A definition that excludes the dictionary meanings of the word is termed as:**

- a) Exclusive definition
- b) Inclusive definition
- c) Both Inclusive definitions
- d) Statutory definition

**16. Which of the following is the example of exclusive definition?**

- a) Appellate Tribunal Sec. 2(2)
- b) Charitable purpose 2(11A)
- c) Employment 2(22)
- d) Dividend 2(19)

**17. Interest on capital received by a partner from a firm engaged in agricultural operation is:**

- a) Property income
- b) Non Agricultural income
- c) Agricultural income
- d) None of the given options

**18. Accrual basis accounting method is compulsory for:**

- a) Individual
- b) Partners
- c) Company
- d) None of the above

**19. Which of the following statements defines income under the law?**

- a) Any amount chargeable to tax under the ordinance
- b) Any amount subject to deduction and collection under various sections of the ordinance.
- c) Any loss of Income
- d) All of the given options

**20. The legal status of Government of Punjab is:**

- a) Public Company
- b) Association of persons
- c) Company
- d) Firm