

CBSE | DEPARTMENT OF SKILL EDUCATION

TAXATION (SUBJECT CODE: 822)

Blue-Print for Sample Question Paper for Class XI (Session 2023-2024)

Max. Time: 3 Hours

Max. Marks: 60

PART A - EMPLOYABILITY SKILLS (10 MARKS):

UNIT NO.	NAME OF THE UNIT	OBJECTIVE TYPE QUESTIONS	SHORT ANSWER TYPE QUESTIONS	TOTAL QUESTIONS
		1 MARK EACH	2 MARKS EACH	
1	Communication Skills- III	1	1	2
2	Self-Management Skills- III	2	1	3
3	Information and Communication Technology Skills- III	1	1	2
4	Entrepreneurial Skills- III	1	1	2
5	Green Skills- III	1	1	2
TOTAL QUESTIONS		6	5	11
NO. OF QUESTIONS TO BE ANSWERED		Any 4	Any 3	07
TOTAL MARKS		1 x 4 = 4	2 x 3 = 6	10 MARKS

PART B - SUBJECT SPECIFIC SKILLS (50 MARKS):

UNIT NO.	NAME OF THE UNIT	OBJECTIVE TYPE QUESTIONS	SHORT ANS. TYPE QUES.- I	SHORT ANS. TYPE QUES.- II	DESCRIPTIVE/ LONG ANS. TYPE QUESTIONS	TOTAL QUESTIONS
		1 MARK EACH	2 MARKS EACH	3 MARKS EACH	4 MARKS EACH	
1	Introduction to Income Tax & Important Definitions	7	2	1	1	11
2	Exempted Incomes and Residential Status and Incidence of Tax Liability	11	1	1	2	15
3	Heads of Income	14	2	1	2	19
TOTAL QUESTIONS		32	5	3	5	45
NO. OF QUESTIONS TO BE ANSWERED		26	Any 3	Any 2	Any 3	34
TOTAL MARKS		1 x 26 = 26	2 x 3 = 6	3 x 2 = 6	4 x 3 = 12	50 MARKS

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Max. Time: 3 Hours

Max. Marks: 60

General Instructions:

1. Please read the instructions carefully.
2. This Question Paper consists of **24 questions** in two sections – Section A & Section B.
3. Section A has Objective type questions whereas Section B contains Subjective type questions.
4. **Out of the given (6 + 18 =) 24 questions, a candidate has to answer (6 + 11 =) 17 questions in the allotted (maximum) time of 3 hours.**
5. All questions of a particular section must be attempted in the correct order.
6. **SECTION A - OBJECTIVE TYPE QUESTIONS (30 MARKS):**
 - i. This section has 06 questions.
 - ii. There is no negative marking.
 - iii. Do as per the instructions given.
 - iv. Marks allotted are mentioned against each question/part.
7. **SECTION B – SUBJECTIVE TYPE QUESTIONS (30 MARKS):**
 - i. This section contains 18 questions.
 - ii. A candidate has to do 11 questions.
 - iii. Do as per the instructions given.
 - iv. Marks allotted are mentioned against each question/part.

SECTION A: OBJECTIVE TYPE QUESTIONS

Q. 1	Answer any 4 out of the given 6 questions on Employability Skills (1 x 4 = 4 marks)	
i.	Why do we send emails? (a) To communicate information (b) To share documents and files (c) To talk to each other (d) Both (a) and (b)	1
ii.	Ravi works hard to get the best student award at the end of the year. What type of motivation is this? (a) Internal (b) External (c) Both internal and external (d) Not any specific type of motivation	1
iii.	Which of the following can help a person manage time better? a) Talking to friends b) Making sure we don't miss our play time c) Watching favourite movie d) Making a to-do-list	1
iv.	Undo, cut, copy and paste are _____ commands. (a) View (b) Edit (c) Styles (d) File	1
v.	Any business activity that is intangible, which cannot be seen and felt, but is for the benefit of a buyer is called _____ a) Manufacturing business b) Service Business c) Trading Business d) Product Business	1
vi.	What do you mean by Eco system?	1

Que 2:	Answer any 5 out of the given 7 questions (1 x 5 = 5 marks)	
i.	Which of the following income is not included in the term "income" under the Income Tax Act, 1961:- a. Profits and gains b. Profit in lieu of salary c. Dividend d. Reimbursement of travelling expenses	1
ii.	Maximum amount of casual income upto _____ and _____ in case of horse race is exempted from Income Tax. a. Rs. 1000, Rs. 2500 b. Rs. 2500, Rs. 5000 c. Rs. 5000, Rs.2500 d. Rs. 5000, Rs. 10000	1
iii.	What is the Tax rate on casual income for all assesses u/s 115BB?	1
iv.	For how much period the loss from Agriculture operations could be carried forward and set off with agriculture income of next assessment years?	1

v	Which of the following income is not included in the term “Income” under the Income Tax Act, 1961:- a. Profits and gains b. Dividend c. Profit in lieu of salary d. Reimbursement of travelling expenses	1
vi.	Losses cannot be set-off against _____ income a. Capital gains b. Casual c. Other d. Business	1
vii.	Which of the following is not treated as Agricultural income? a. Income from bee hiving b. Income from dairy farming. c. Income from Poultry farming d. Rent received for agriculture land	1

Que 3.	Answer any 6 out of the given 7 questions (1 x 6 = 6 marks)	
i.	Which of the following meaning does the expression “Business Connection” take into account? a. Maintenance of branch office b. Appointing an agent c. Formation of close financial association d. All of the above	1
ii.	Income accruing from agriculture in a foreign country is taxable in the case of an assessee who is: a. Resident b. Not-ordinarily resident c. Non-resident d. None of the above.	1
iii.	What would be the limit of taxable amount, in case allowance or perquisite paid or allowed outside India by the Government to a citizen of India for rendering service outside India? a. Fully exempted from Tax b. Exempted upto Rs. 50,000 c. Exempted upto Rs. 1,00,000 d. Fully Taxable	1
iv.	How share of profit received by a partner from a firm is taxable?	1
v.	How the amount received out of family income, or in case of impartible estate, amount received out of income of family estate by any member of such HUF is taxed? a. Taxable in the hands of member b. Exempted from Tax in the hands of member c. Exempted upto Rs. 50,000 d. Exempted upto Rs. 1,00,000	1
vi.	Who is entitled to claim exemption under section 10(5) in respect of Leave Travel Concession?	1
vii.	What is Tax Treatment of Employer’s Contribution in case of Statutory Provident Fund?	1

Que 4:	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	What is the place of accrual of Salary, as per Section 9(1) of the Income Tax Act, 1961? a. Where the service has been rendered b. Where the payment is made c. Depends upon the provisions prevailing at that time d. Depends upon the resident status	1
ii.	Which Section of Income-tax Act defines the basis of charge for income to be chargeable under the head Salaries? a. Section 10 b. Section 12 c. Section 14 d. Section 15	1
iii.	How Advance against salary is treated under Income Tax Act, 1961 which is availed by employee and is repayable in installment?	1
iv.	What would be the amount of gift or vouchers received from employer that is taxable? a. An amount in excess of Rs.1,000 is taxable b. An amount in excess of Rs.2,500 is taxable c. An amount in excess of Rs.5,000 is taxable d. An amount in excess of Rs.7,500 is taxable	1
v.	Under Section 17(2)(iii), an employee is referred to as a specified employee, if a. Employee has cash taxable salary more than Rs. 50,000 during the year b. Employee has cash taxable salary more than Rs. 1,00,000 during the year c. Employee has cash taxable salary more than Rs. 2.00,000 during the year d. Employee has cash taxable salary more than Rs. 5.00,000 during the year	1
vi.	The employer hires and provides free facility of Watchman, Sweeper and Gardener to his employees. It will be a perquisite for – a. Only Government Employees b. Employees other than specified employees c. Specified as well as other employees d. Specified employee only	1

Que 5:	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	Income accruing from agriculture in a foreign country is taxable in the case of an assessee who is - a. Resident b. Not-ordinarily resident c. Non-resident d. None of the above.	1
ii.	Dividend received from an Indian company which has suffered dividend distribution tax is exempt from tax under section_____. a. 10(31) b. 10(32) c. 10(33) d. 10(34)	1
iii.	The share of profit received by a partner from a firm is exempt from tax in the hands of the partner. Is there any exemption to it?	1

iv.	For calculation of Gratuity, Average monthly salary is to be computed on the basis of average of salary for how many months?	1
v.	“Property” means which of the following capital assets of the assessee? a. Shares and securities b. Jewellery c. Drawings d. All of the above	1
vi.	For how many subsequent years, the unadjusted loss is allowed to be carried forward: a. 5 years b. 7 years c. 8 years d. 10 years	1

Que 6:	Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)	
i.	As per section 2(22), dividend does not include _____. a. Any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 77 A of the Companies Act,1956 b. Any distribution if such distribution entails the release of all or any part of the asset of the company to the extent of accumulated profits of the company c. Any distribution made on liquidation of a company to the extent of accumulated profits of the company d. Any distribution on the reduction of capital of a company to the extent of accumulated profits of the company	1
ii.	Deduction under section 24(b) is available on account of _____ a. Municipal taxes paid by the owner b. Capital expenditure incurred by the owner c. Revenue expenditure incurred by the owner d. Interest on capital borrowed for the purpose of purchase, construction, repair, renewal or reconstruction of the property	1
iii.	Which out of the following is not a case of deemed ownership of house property? a. Transfer to a spouse for inadequate consideration b. Co-owner of a property c. Holder of an impartible estate d. Transfer to a minor child for inadequate consideration	1
iv.	Payment in cash or through bearer cheque in excess of Rs.....is disallowed? a. Rs. 10,000 b. Rs.20,000 c. Rs. 25,000 d. Rs. 50,000	1
v.	How the Prizes won by a professional player will be treated?	1
vi.	If total income of three years immediately preceding the current previous year is more than Rs. then it is essential to maintain the specified books of accounts a. Rs. 1 lakh b. Rs. 1.5 Lakh c. Rs.2.5 Lakh d. Rs. 5 Lakh	1

SECTION B: SUBJECTIVE TYPE QUESTIONS

Answer any 3 out of the given 5 questions on Employability Skills (2 x 3 = 6 marks)

Answer each question in 20 – 30 words.

7.	What are the advantages of Assertive Communication?	2
8.	What do you mean by SMART goals?	2
9.	How to insert a shape into a document?	2
10.	What is a Business Idea?	2
11.	What is National Green Tribunal (NGT)?	2

Answer any 3 out of the given 5 questions in 20 – 30 words each (2 x 3 = 6 marks)

12.	What do you mean by Representative Assessee?	2
13.	What do you mean by Gross Total Income?	2
14.	What is the treatment of Share of Profit received by a partner from the firm?	2
15.	What do you mean by Specified employee?	2
16.	What do you mean by "Profession"?	2

Answer any 2 out of the given 3 questions in 30– 50 words each (3 x 2 = 6 marks)

17.	What do you mean by Assessee-in-Default?	3
18.	How the residential status of Companies is found?	3
19.	On 25-2-2023, Mr. Kumar sold his personal house to his friend Mr. Sharma for Rs. 1,00,000. The market value of the building was Rs. 20,60,000 and the value of the building adopted by the Stamp Valuation Authority for charging stamp duty was Rs. 22,00,000. What will be the tax implications of the above items in the hands of Mr. Kumar?	3

Answer any 3 out of the given 5 questions in 50– 80 words each (4 x 3 = 12 marks)

20.	What do you mean by "Casual Income"? What are the provisions regarding Tax treatment of "Casual Income"?	4
21.	What are the provisions regarding claiming exemption in respect to Leave Travel Concession?	4
22.	From the following information provided by Mrs. Sudha, ascertain the tax treatment of various items. 1. Gold jewellery worth Rs. 2,84,000 received from her mother. 2. Shares valuing Rs. 20,000 received by way of gift from her brother. 3. A painting worth Rs. 2,50,000 received from a friend on the occasion of her marriage. 4. A diamond necklace amounting to Rs. 60,000 received from a friend on the occasion of her friend's marriage. 5. Gold bangles purchased for Rs. 64,000; the fair market value of gold jewellery is Rs. 1,34,000. 6. Bullion purchased for Rs. 5,70,000; the fair market value of the bullion is Rs. 5,40,000. 7. A refrigerator purchased for Rs. 38,000, the fair market value of refrigerator is Rs. 90,000. Solution: The tax treatment of various items in the hands of Mrs. Sudha will be as follows:	4

	<p>1. Gift received from mother will not be charged to tax (since mother is covered in the definition of relatives). Hence, gift of gold amounting to Rs. 2,84,000 received from her mother will not be charged to tax.</p> <p>2. Gift received from brother will not be charged to tax (since brother is covered in the definition of relatives). Hence, gift of shares amounting to Rs. 20,000 received from her brother will not be charged to tax.</p> <p>3. Gift received on account of marriage of an individual is covered in exemptions. Hence gift painting amounting to Rs. 2,50,000 received from a friend on the occasion of her marriage will not be charged to tax.</p> <p>4. Gift received on account of marriage of an individual is not charged to tax. But, in this case the gift is received on the occasion of marriage of a friend of Mrs. Verma. Hence, gift of diamond necklace amounting to Rs. 60,000 received from friend on the occasion of her friend's marriage will not be covered in the exemptions prescribed above.</p> <p>5. The gold bangles are purchased at Rs. 64,000 while the fair market value is Rs. 1,34,000. The excess of fair market value over the purchase price will amount to Rs. 70,000 i.e. Rs.1,34,000 – Rs. 64,000). Hence, Rs. 70,000 will be charged to tax in respect of purchase of gold jewellery.</p> <p>6. The fair market value of bullion is Rs. 5,40,000. However, the same is purchased for Rs. 5,70,000 which is more than the fair market value. In other words, in this case the purchase price is more than the fair market value and, hence, nothing will be charged to tax.</p> <p>7. Refrigerator does not come under the definition of specified movable property, hence, nothing will be taxed in respect of purchase of refrigerator. Considering above discussion, the total amount of gift not covered in any of the specified exemptions will come to Rs. 1,30,000 (60,000 + 70,000). If the gift not covered in specified exemptions exceeds Rs. 50,000 then the entire amount of such gift is charged to tax. Hence, taxable amount of gift will come to Rs. 1,30,000.</p>	
23.	What are the basic conditions required for an individual to be considered as "Resident"? Also Explain the exceptions to such conditions, if any?	4
24.	Briefly explain the different type of incomes which are chargeable under the head "Income from other sources"?	4