

One-line Answer Key to MCQs

Questions 1–10

1. **A** – New regime allows standard deduction but not 80TTA.
2. **C** – Relief u/s 89 requires recomputation of both relevant years.
3. **A** – Interest on self-occupied houses capped at ₹2L total.
4. **B** – Partner interest allowed only up to 12% u/s 40(b).
5. **B** – Listed equity LTCG exempt up to ₹1L; balance taxable.
6. **A** – Marriage exemption applies only on assessee's own marriage.
7. **B** – Expenses relating to exempt income disallowed u/s 14A.
8. **A** – Property vacant whole year treated as Nil annual value per paper logic.
9. **C** – Rent-free accommodation in metro valued at 15% of salary.
10. **C** – Business loss cannot be set off against salary income.

Questions 11–20

- 11. **A** – Tax computed as per paper assumptions gives option A.
- 12. **A** – TDS on non-resident deducted u/s 195 at DTAA beneficial rate.
- 13. **C** – Gifted asset takes previous owner's cost and indexation year.
- 14. **B** – Firm income after restricting partner payments u/s 40(b).
- 15. **C** – HRA exemption reduced due to company accommodation period.
- 16. **B** – Failure to invest accumulation → taxed at MMR in expiry year.
- 17. **D** – No TDS since contractor payments do not cross ₹1L threshold.
- 18. **A** – Statements I & II treated incorrect as per paper framing.
- 19. **A** – Forfeited advance taxable as business income in year of forfeiture.
- 20. **A** – Successor company takes WDV ₹12L and gets half-year depreciation.