

MULTIPLE CHOICE QUESTIONS

GOODS AND SERVICE TAX - BBA 309

BBA V

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FOR PRIVATE CIRCULATION

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1. Which among the following is not the type of tax which is directly imposed on the taxpayer and he/she pays the same directly to the government?
 - A. Income Tax
 - B. Corporate Tax
 - C. Wealth Tax
 - D. Goods and Service Tax

2. A is a mandatory financial charge or levy or burden imposed upon a taxpayer by the government in order to fund different public expenditures.
 - A. Subsidy
 - B. Tax
 - C. Income
 - D. Revenue

3. Do you think tax evasion has become less with the application of goods and service tax on supply?
 - A. Yes
 - B. No

4. What is the nature of indirect taxes in our nation?
 - A. Progressive
 - B. Regressive

5. What is the nature of direct taxes in our nation?
 - A. Progressive
 - B. Regressive

6. Under which type of tax is the taxation amount collected shared between the centre and the states?
 - A. CGST
 - B. SGST
 - C. UTGST
 - D. IGST

7. The system of charging tax on tax (also called as incidence of tax) is called as....
 - A. Input Tax Credit
 - B. Tax Compliance
 - C. Cascading Effect
 - D. Sales Tax

8. Article..... states that no tax shall be levied or collected except by authority of law.
 - A. 100
 - B. 250
 - C. 265
 - D. 300

9. Article..... grants power to centre to make laws with respect to GST in case of inter-state supply of goods and services and state government to make laws with respect to GST in case of intra-state supply of goods and services.
- A. 100
 - B. 246 A
 - C. 245
 - D. 145
10. Who is the chairperson of the GST Council?
- A. Prime Minister
 - B. President
 - C. Union Finance Minister
 - D. State Revenue Minister
11. Under GST, which is the point of collection of taxes?
- A. Manufacture
 - B. Production
 - C. Destination of Supply
 - D. Origin of Sales
12. is a constitutional body created by the President to make recommendations or give any suggestions to the union and state government on issues related to goods and service tax.
- A. GST Court
 - B. GST Apex Body
 - C. GST Board of Directors
 - D. GST Council
13. Any transaction or occurrence that results in a tax consequence is called a “taxable event.” In case of GST, the taxable event is.....
- A. Manufacture
 - B. Production
 - C. Supply of goods and services
 - D. Origin of Sales
14. Can Composition scheme be availed if the registered person effects interstate supplies?
- A. Yes
 - B. No
 - C. Yes, subject to prior approval of the Central Government Levy and Collection of Tax 11 Indirect Taxes Committee
 - D. Yes, subject to prior approval of the concerned State Government
15. What are different types of supplies covered under the scope of Supply?
- A. Supplies made with consideration
 - B. Supplies made without consideration
 - C. Both of the above
 - D. None of the above

16. What are the factors differentiating Composite Supply & Mixed Supply?
- A. Nature of bundling i.e., artificial or natural
 - B. Existence of Principal Supply
 - C. Both of the above
 - D. None of the above
17. Who will notify the rate of tax to be levied under CGST?
- A. Central Government suo moto
 - B. State Government suo moto
 - C. GST Council suo moto
 - D. Central Government as per the recommendations of the GST Council
18. First discussion paper (FDP) which formed the basis for GST in 2009 was released by
- A. Union Finance Ministry
 - B. Dr. Manmohan Singh
 - C. GST Council
 - D. Empowered Committee
19. includes all forms of supply such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business.
- A. Supply
 - B. Production
 - C. Manufacture
 - D. Sales
20. in relation to supply of goods or services or both include any payment made or agreed to be made whether in money or otherwise (in kind) in respect of or in response to supply of goods or services or both.
- A. Consideration
 - B. Monetary payment
 - C. Manufacture
 - D. Sales
21. in relation to supply of goods or services under GST shall be in money or in kind or partly in money and partly in kind or monetary value of any act or forbearance of the supply.
- A. Consideration
 - B. Monetary payment
 - C. Manufacture
 - D. Sales
22. It is possible to shift the burden of taxation in the case of....
- A. Income Tax
 - B. Wealth Tax
 - C. Gift Tax
 - D. Indirect Tax such as GST

23. The imposition of direct taxes is on.... while in the case of indirect taxes it is on
- A. Gifts, Income
 - B. Income, Goods or Services
 - C. Goods or Services, Income
 - D. Income, Gifts
24. The final burden of paying taxes in case of income tax is on While in the case of indirect taxes is on....
- A. Producer, Consumer
 - B. Consumer, Producer
 - C. Final Consumer, Taxpayer
 - D. Taxpayer, Final Consumer
25. GST is a based tax.
- A. Consumption/Destination
 - B. Production
 - C. Manufacture
 - D. Sales
26. Uniform rate of taxes are applicable in the case of
- A. Central Sales Tax
 - B. VAT
 - C. Excise Duty
 - D. GST
27. What is the nature of levy in the case of GST?
- A. Only at supply point without input tax credit
 - B. All points of manufacture
 - C. Only at supply point/consumption of goods and services with input tax credit
 - D. At the time of transfer and rent
28. Tax burden in the case of GST is comparatively as compared to pre-Gst tax regime.
- A. Higher
 - B. Lower
29. Goods and services tax mean any tax on supply of goods or services or both except taxes on the supply of the
- A. Articles
 - B. Commodities
 - C. Any material in tangible form
 - D. Alcoholic Liquor for human consumption
30. What is applicability of GST?
- A. Applicable all over India except Sikkim
 - B. Applicable all over India except Jammu and Kashmir
 - C. Applicable all over India
 - D. Applicable all over India except Nagaland

31. Which among the following is not the function of Goods and service tax council's:
- A. Establish a mechanism for dispute resolution
 - B. Make recommendations related to GST
 - C. Make any suggestions related to GST
 - D. Collect tax
32. In the case of reverse charge, tax is paid to the government by
- A. Supplier
 - B. Buyer
 - C. Manufacturer
 - D. None
33. Supply NOT includes
- A. All forms of supply such as sale, transfer, barter, exchange, lease or rental
 - B. Importation of services for a consideration whether or not in the course of business
 - C. Activities covered in Schedule I or Schedule II
 - D. Export of goods and services
34. of services, mean the supply of any service where the supplier of service is located outside India, the recipient/receiver of service is in India and the place of service is in India.
- A. Export
 - B. Import
 - C. Domestic Produce
 - D. Domestic Sales
35. supply means a supply of goods or services or Both which is leviable to tax under this act.
- A. Zero-Rated
 - B. Taxable
 - C. Continuous
 - D. Exempt
36. supply means supply of goods or services within a single state or union-territory.
- A. Zero-Rated
 - B. Continuous
 - C. Intra-State Supply
 - D. Inter-State Supply
37. supply means supply of goods or services between two different states or union-territories.
- A. Zero-Rated
 - B. Continuous
 - C. Intra-State Supply
 - D. Inter-State Supply
38.supply means supply of goods or services or both on which no tax is payable and such supplies include export of goods and supply of goods to special economic zones.
- A. Zero-Rated
 - B. Continuous

- C. Intra-State Supply
- D. Inter-State Supply

39. Goods which get input tax credit without being liable to collect output tax is called
- A. Exempt goods
 - B. White goods
 - C. Sin goods
 - D. Zero rated goods
40. supply means supply of goods or services or both which attract nil rate of tax and which are not chargeable to tax.
- A. Exempt
 - B. Continuous
 - C. Intra-State Supply
 - D. Inter-State Supply
41. supply means supply of goods or services which is provided or agreed to be provided on continuous or recurring basis.
- A. Exempt
 - B. Continuous
 - C. Intra-State Supply
 - D. Inter-State Supply
42. Schedule I of GST includes deemed supplies that is supply without consideration. Such supplies include all of the following except one. Mark the correct answer: -
- A. Permanent transfer or disposal of assets
 - B. Supply between distinct or related persons
 - C. Supply between principal and agent and Supply involving Import of Services
 - D. Supply involving export of goods and services
43. persons under GST means persons who are under influence of one-another like members of the same family.
- A. Related
 - B. Distinct
 - C. Influential
 - D. Persuasive
44. Related persons include all but not one of the following. Mark the correct answer.
- A. Directors of each other's business
 - B. Legally recognised partners
 - C. Employer and Employee
 - D. Any third person holding 10% shares of both the companies
45. Related persons include all but not one of the following. Mark the correct answer.
- A. Directors of each other's business
 - B. Legally recognised partners
 - C. Employer and Employee
 - D. Any third person holding more than 25% shares of both the companies
 - E. Both are friends with each other however they do not control each other's actions

46. Transactions between headquarters and branches of an establishment and stock transfers and branch transfers are known as transactions between persons.
- A. Related
 - B. Distinct
 - C. Influential
 - D. Persuasive
47. Supply means a supply made by a taxable person to a recipient which comprises of two or more taxable supplies of goods or services or both, or any combination thereof that are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.
- A. Exempt
 - B. Continuous
 - C. Composite
 - D. Inter-State Supply
48. Supply of goods or services which constitutes the predominant element of a composite supply is called
- A. Common Supply
 - B. Principal Supply
 - C. Continuous Supply
 - D. Mixed Supply
49.Supply means two or more individual supplies of goods or services or any combination thereof made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.
- A. Exempt
 - B. Mixed
 - C. Intra-State Supply
 - D. Inter-State Supply
50. A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is
- A. Exempt
 - B. Mixed
 - C. Intra-State Supply
 - D. Inter-State Supply
51. Goods are packed and transported with insurance, packing materials, transport and insurance. This is a case of
- A. Exempt
 - B. Continuous
 - C. Composite
 - D. Inter-State Supply
52. RK (Delhi) supplies goods to AB in Delhi. Determine the kind of supply and the applicable tax.
- A. Inter-State Supply, IGST
 - B. Intra-State Supply, CGST and SGST
 - C. Intra-State Supply, IGST
 - D. Inter-State Supply, CGST AND SGST

53. RK(Delhi) supplies goods to XY in Mumbai. Determine the kind of supply and the applicable tax.
- A. Inter-State Supply, IGST
 - B. Intra-State Supply, CGST and SGST
 - C. Intra-State Supply, IGST
 - D. Inter-State Supply, CGST AND SGST
54. Activities or transactions which are neither supply of goods nor supply of services that are covered under negative list are covered under Schedule of the GST act.
- A. I
 - B. II
 - C. III
 - D. IV
55. means receivers of goods or services are liable to pay the GST instead of suppliers.
- A. Forward Charge Mechanism
 - B. Ordinary Mechanism
 - C. Routine Mechanism
 - D. Reverse Charge Mechanism
56. is a simple and easy scheme under GST which can be opted by the small taxpayers whose aggregate turnover of the preceding year is less than Rs.1.5 Crore which helps them to get rid of tedious GST formalities and pay GST at a fixed rate of turnover.
- A. Payment Scheme
 - B. Turnover Scheme
 - C. Aggregate Scheme
 - D. Composition Scheme
57. First announcement for introduction of GST arose in
- A. 2004
 - B. 2005
 - C. 2006
 - D. 2007
58. GST is a _____ based tax on consumption of goods and services.
- A. Destination
 - B. Duration
 - C. Destiny
 - D. Development
59. Which of the following tax rate is not applicable under the GST?
- A. 5
 - B. 12
 - C. 18
 - D. 25

60. What kind of Tax is GST?
- A. Direct Tax
 - B. Indirect Tax
 - C. Depends on the type of goods and services
 - D. None of the above

ANSWER KEY

1	D	11	C	21	A	31	D	41	B	51	C
2	B	12	D	22	D	32	B	42	D	52	B
3	A	13	C	23	B	33	D	43	A	53	A
4	B	14	B	24	D	34	B	44	D	54	C
5	A	15	C	25	A	35	B	45	E	55	D
6	D	16	C	26	D	36	C	46	B	56	D
7	C	17	D	27	C	37	D	47	C	57	C
8	C	18	D	28	B	38	A	48	B	58	A
9	B	19	A	29	D	39	D	49	B	59	D
10	C	20	A	30	C	40	A	50	B	60	B