



FEDERAL PUBLIC SERVICE COMMISSION
CASE NO. F-116/R/021-R
INSPECTOR INLAND REVENUE (BS-16)
(Batch-2)



Time allowed: 100 Minutes

Maximum Marks: 100

- Name: _____
- Read the Test Items (MCQs) from Questions Booklet and Fill in the appropriate box by your correct answer on the Answer Sheet.
 - All Test Items (MCQs) have equal value and there is no negative marking.
 - Do not write your Roll Number, Name, answers to the questions or any other remarks on or inside the Questions Booklet.
 - Hand-over Both i.e. Questions Booklet and Answer Sheet to the Insigilant on duty of your row on the conclusion of Test.
 - TAKING OUT THE QUESTIONS BOOKLET (IN ANY SHAPE OR FORM) FROM THE EXAMINATION HALL IS NOT ALLOWED.**
 - Use of calculator is NOT allowed.**

PART-(ENGLISH)

Select the correct answer and Fill in the appropriate Box on the Answer Sheet.

- 'behind their instruments' is _____ phrase.
(A) an adjectival (B) an adverbial (C) a noun (D) None of these
- 'angrily across the stage' is _____ phrase.
(A) an adjectival (B) an adverbial (C) a noun (D) None of these
- 'The shocked members of the group across the road' contains _____ number of phrases.
(A) 1 (B) 2 (C) 3 (D) None of these
- An example of a relative subordinate clause is:
(A) because the cat was lazy (B) which was normal
(C) as the baby wanted breakfast (D) None of these
- What's the name of the man _____ gave us a lift?
(A) he (B) what (C) who (D) None of these
- What was that notice _____?
(A) at that you were looking (B) you were looking at
(C) you were looking at it (D) None of these
- Susan is the woman _____ husband is in hospital.
(A) her (B) hers the (C) whose (D) None of these
- York, _____ last year, is a nice old city.
(A) I visited (B) that I visited (C) which I visited (D) None of these
- The accident was seen by some people _____ at a bus stop.
(A) waited (B) waiting (C) were waiting (D) None of these
- I just had to take the dog out _____ of the awful weather.
(A) although (B) despite (C) in spite (D) None of these
- Anna put the electric fire on _____ warm.
(A) for getting (B) in order get (C) to get (D) None of these
- If _____ my passport, I'll be in trouble.
(A) I lose (B) I'll lose (C) I lost (D) None of these
- I haven't got a ticket. If _____ one, I could get in.
(A) I'd have (B) I had (C) I have (D) None of these
- If the bus to airport hadn't been so late, we _____ the plane.
(A) caught (B) had caught (C) would have caught (D) None of these
- The chemist's store was open, so luckily I _____ buy some aspirin.
(A) can (B) can't (C) was able to (D) None of these
- We had a party last night. _____ spend all morning clearing up the mess.
(A) I must have (B) I've been to (C) I've had to (D) None of these
- The house was _____ building.
(A) a nice old stone (B) a nice stone old (C) a stone old nice (D) None of these
- This detailed map is _____ the atlas.
(A) more useful as (B) more useful than (C) usefuller as (D) None of these
- I've read this paragraph three times, and I _____ understand it.
(A) can't still (B) can't yet (C) still can't (D) None of these
- This place gets _____ crowded with tourists every summer.
(A) always more (B) crowded and more (C) more and more (D) None of these

- (C) Federal Government revenues (B) Federal Government expenditures
(D) None of these
38. The Divisible Pool consists of all major taxes of the Federal Government except:
(A) Income tax and Federal Excise Duty (B) Custom duty and regulatory duty
(C) Cess and levies (D) None of these
39. The President constitutes the National Finance Commission (NFC) after:
(A) Every two years (B) Every three years
(C) Every five years (D) None of these
40. The role of the State Bank of Pakistan is to ensure all of the following except:
(A) Reserves (B) Open market operations (C) Levying taxes (D) None of these
41. Fiscal Policy addresses:
(A) Taxation (B) Government spending (C) Both (A)&(B) (D) None of these
42. _____ is the rate at which the price of goods and services increases.
(A) Inflation (B) Consumerism (C) Capitalism (D) None of these
43. Per capita income of Pakistan in 2020 was:
(A) \$1,154 (approx.) (B) \$1,025 (approx.) (C) \$995 (approx.) (D) None of these
44. What is a Capital Account?
(A) The sum total of a country's savings (B) The sum total of total expenditure
(C) The sum total of a country's income (D) None of these
45. In economic terms, a 'bull' is:
(A) The opposite of a bear (B) An investor who expects the price of a security to rise
(C) Both (A)&(B) (D) None of these
46. The long-run pattern of economic growth and recession is called:
(A) A business cycle (B) An annual budget (C) A project cycle (D) None of these
47. A budget deficit occurs:
(A) When income is less than expenditure (B) When loans are less than grants
(C) When savings is less than debt servicing (D) None of these
48. When the value of currency appreciates it means that:
(A) Cost of international trade has increased (B) Cost of international trade has decreased
(C) Less goods can be purchased from the international market (D) None of these
49. Which of the following is an example of Direct taxation?
(A) Levying taxes on salaries (B) Levying taxes on purchases
(C) Levying taxes on supplies (D) None of these
50. Assets-Liabilities
(A) Debt (B) Profit (C) Equity (D) None of these
- Tax Administration / Reforms in Pakistan:
51. Domestic revenue mobilization is key to realizing sustainable development and providing the fiscal space to fund:
(A) Trade deficit (B) Current account deficit
(C) Public expenditures (D) None of these
52. Pakistan's tax revenues heavily rely on:
(A) Federal taxes (B) Provincial taxes (C) Local bodies taxes (D) None of these
53. FBR's tax expenditure was at _____ of the GDP in FY 17-18.
(A) 2% (B) 5% (C) 7% (D) None of these
54. According to Doing Business Report 2019, it takes about _____ hours to make 47 annual tax payments.
(A) 211 (B) 311 (C) 411 (D) None of these
55. A tax system usually comprises:
(A) Tax policy and audit (B) Tax reforms and automation
(C) Tax policy and revenue administration (D) None of these
56. Progressive taxation means:
(A) The more you earn, the higher is the rate of tax. (B) The more you earn, the lower is the rate of tax.
(C) The rate of tax remains constant (D) None of these
57. Which one of these tax is not levied on property?
(A) Property tax (B) Withholding tax (C) Federal excise duty (D) None of these
58. As on 28-2-2021, income tax returns for tax year 2020 reached 2.5 million compared to:
(A) 2.4 million last year (B) 2.5 million last year
(C) 2.6 million last year (D) None of these
59. IRIS-LMS is a software of FBR:
(A) For litigation management and reporting (B) For audit management and reporting
(C) For enforcement management and reporting (D) None of these
60. For verification of ATL status under Income Tax Ordinance 2001, SMS your CNIC on:
(A) 9955 (B) 9966 (C) 9977 (D) None of these

61. In compliance with directions of the _____, chairman FBR holds regular e-Kachehri at FBR HQ.
(A) Prime Minister (B) President (C) Finance Minister (D) None of these
62. Under Pakistan Single Window (PSW) project, more than _____ different departments would converge on one platform for facilitation of the business community.
(A) 10 (B) 30 (C) 70 (D) None of these
63. Harmonization of sales tax between federation and federating units is making headway under the umbrella of:
(A) National Tax Commission (B) National Tax Committee
(C) National Tax Council (D) None of these
64. The total tax collection of FBR during Financial Year 17-18 was:
(A) 3,644 billion (B) 3,744 billion (C) 3,844 billion (D) None of these
65. The total tax collection of FBR during Financial Year 18-19 stood at:
(A) 3,629 billion (B) 3,729 billion (C) 3,829 billion (D) None of these
- Sales Tax Act 1990 as amended upto July, 2021:
66. "Schedule" means:
(A) A Schedule of payment of sales tax. (B) A list of taxpayers.
(C) Schedule appended in Sales Tax Act, 1990. (D) None of these
67. "Whistleblower" is a person who:
(A) Is registered but not paying sales tax. (B) Always deserves rewards.
(C) Is involved in tax-frauds. (D) None of these
68. "Computerized system" means:
(A) All the computers of a taxpayer. (B) Computers on which a sale tax return is filed.
(C) Any information technology system used by the Board. (D) None of these
69. "Tier-1 Retailer" means a retailer:
(A) Operating as a unit of a chain of stores. (B) Who is not a wholesaler.
(C) Whose shop measures one hundred square feet or more. (D) None of these
70. In case of change of rate of tax a taxable supply shall be charged to tax:
(A) At such rate which is in force for that month. (B) At the rate of 17%.
(C) At the rate as decided by the Commissioner I.R. (D) None of these
71. Where by a deliberate act, a tax has not been levied, the person liable to pay that tax shall be:
(A) Served with a Notice under section 11 of the Act. (B) Arrested and prosecuted.
(C) Warned in writing. (D) None of these
72. The Board may appoint Special Audit Panels comprising of:
(A) Inland Revenue Officers and a Chartered Accountant or a Cost & Management Accountant.
(B) An Economist and an Auditor.
(C) Any person the Board may like to choose.
(D) None of these
73. Any person who fails to issue any invoice shall pay a penalty of:
(A) 10% of the amount of tax involved. (B) 5% of the amount of tax involved.
(C) Rs.5000 or 3% of the tax involved, whichever is higher. (D) None of these
74. "Arrears" of sale tax can be recovered by:
(A) Sale of property of the defaulter. (B) Sealing of his assets.
(C) Seizing of his vehicles. (D) None of these
75. For any amount due to be refunded to a tax payer, a claim should only be filed:
(A) Electronically (B) Within one month. (C) Within one year. (D) None of these
76. If the value of supply of agriculture produce exceeds certain amount the same are chargeable to sales tax:
(A) At 10%. (B) Only when sold by the retailers.
(C) When sold in the supermarkets. (D) None of these
77. "Supply" in sales tax includes:
(A) Any industrial activity. (B) Sale of ideas and innovations. (C) Songs. (D) None of these
78. "Cottage Industry" means an industry which:
(A) Has no industrial gas connections. (B) Is located in rural areas.
(C) Has labour force of less than 5 people. (D) None of these
79. Sales tax on all the services is under the domain of:
(A) Provinces of Pakistan. (B) The Federal Government.
(C) Both (A)&(B). (D) None of these
80. Assessment of tax and determination of tax liability:
(A) Are the same things. (B) Different from each other.
(C) Done by the taxpayer. (D) None of these
- Federal Excise Act 2001 as amended upto July, 2021:
81. The word "Whole Sale" dealer is defined in:
(A) Sub-section 26 of section 2 of the Act. (B) Sub-section 25 of section 2 of the Act.
(C) Sub-section 19 of section 2 of the Act. (D) None of these

82. The Board is empowered to levy, fee and service charges for valuation:
(A) With the approval of Federal Government (B) With the approval of Federal Minister incharge
(C) With the consultations of Chief Commissioners (D) None of these
83. Who is required to provide and make arrangement for providing real time access of informations to the Board?
(A) National Database and Registration Authority (NADRA) (B) Pakistan Railways
(C) Police (D) None of these
84. Who has the power to share data or informations including real-time data, videos?
(A) Chief Commissioner (B) Commissioner (C) The Board (D) None of these
85. Which section of the Act provides mechanism for serving of notices and other documents?
(A) Section 48 (B) Section 47 (C) Section 50 (D) None of these
86. Who does constitute audit panels special for conducting audit of a registered person?
(A) Chief Commissioner (B) Commissioner (C) The Board (D) None of these
87. Who is required to obtain the brand licence for each brand or stock keeping unit?
(A) A registered person (B) The recipient of the goods
(C) The manufacturers of the specified goods (D) None of these
88. Subject to the provisions of sub-clause (I) of section 45(A), who is empowered to prescribe the record electronically or other means in respect of which monitoring, or packing of production, sales, clearances, stocks etc. are monitored and implemented?
(A) Chief Commissioner (B) The Federal Government (C) The Board (D) None of these
89. Time limitation for allowing the refund of duty is:
(A) Two years of its accrual (B) One year of its accrual
(C) Three years of its accrual (D) None of these
90. Who is empowered to post an officer of Inland Revenue to the premises of the registered person?
(A) The Federal Government (B) Chief Commissioner (C) The Board (D) None of these
91. Where recovery of tax has been stayed by the High Court by an order, the validity of the interim order shall be:
(A) Till the decision of the case
(B) For a period of six months unless the appeal is decided or such order is withdrawn.
(C) For a period of one year
(D) None of these
92. Time limitation for deciding the dispute referred by the Board to Alternate Dispute Resolution Committee is:
(A) 180 days of its appointment (B) 120 days of its appointment
(C) 90 days of its appointment (D) None of these
93. The word "Sales Tax Mode" is defined in:
(A) Sub-section 22 of section 2 of the Act (B) Sub-section 21(a) of section 2 of the Act
(C) Section 11 of the Act (D) None of these
94. "Non-tariff area" means:
(A) Azad Jammu and Kashmir
(B) Northern Areas
(C) Azad Jammu and Kashmir, Northern Areas and such other territories or areas to which Federal Excise Act does not apply
(D) None of these
95. Where the appellant is a company the prescribed fee for filing an appeal before the Commissioner (appeal) against any assessment order is:
(A) Rs.10,000/- (B) Rs.1,000/- (C) Rs.5,000/- (D) None of these
- Income Tax Ordinance 2001 as amended upto June, 2021:
96. The rate of amortization of pre-commencement expenditure is:
(A) 25% (B) 15% (C) 20% (D) None of these
97. "Off-shore evader" includes:
(A) A person who owns or is a beneficial owner of an off-shore asset.
(B) A person dealing actively with the local evader of income tax.
(C) A person who under-declares the assets to the Commissioner.
(D) None of these
98. In case of any "Employee Share Scheme":
(A) The value of a right to acquire shares shall not be chargeable to tax.
(B) There is a nominal tax depending on the volume of employees share.
(C) Tax is charged from the date of issuance of such a share.
(D) None of these
99. "Foreign source income" means:
(A) Any income earned by a Pakistani citizen while working out of Pakistan.
(B) Any income of a foreigner.
(C) An income of last five years earned by any person in foreign exchange.
(D) None of these
100. "Alternate Corporate Tax" means:
(A) The tax at a rate of 17% of the income.
(B) The tax which is an alternate substitute to the normal tax on any business.
(C) The tax payable by all corporate entities.
(D) None of these