

Tax Accounting

Section 2
Presented by/ Noha Hamed

Chapter 2

The nature of the Egyptian tax system

*Choose The correct answer
for each of the following
statements*



1- According to article 8 of tax law No. 175 of 2023, the first tax bracket was up to Pounds per year are exempt from tax.

- A. 30,000 .
- B. 15,000.
- C. 7500.
- D. 21,000.

Answer: A



2- According to article 8 of tax law No. 175 of 2023, If the annual net income exceeds 1,200,000 pounds, the net income ranging from 1 pound to 1,200,000 pounds is taxed at a rate of, while any net income over that amount is taxed at a rate of

- A. 20% ; 22.5%
- B. 25% ; 27.5%.
- C. 10% ; 15%.
- D. None of the above.

Answer: B



3- According to article 8 of tax law No. 175 of 2023, If the annual net income doesn't exceed 600,000 pounds, the last tax bracket was..... on an amount of more than pounds.

A.10%; 30,000.

B.20%; 1000,000.

C.25%; 400,000.

D.None of the above.

Answer: C



4- According to article 8 of tax law No. 175 of 2023, If the annual net income falls between 600,000 EGP and 700,000 EGP, the first tax bracket was 10% on the income ranging from..... to pounds.

A.45,000; 60,000.

B.1; 60,000.

C.1; 45,000

D.1; 200,000.

Answer: C



5- According to article 8 of tax law No. 175 of 2023, If the annual net income falls between 600,000 EGP and 700,000 EGP, the net income ranging from 200,000 pound to 400,000 pounds is taxed at a rate of

A.10%.

B.27.5%.

C.25%.

D.22.5%.

Answer: D



6- According to article 8 of tax law No. 175 of 2023, If the annual net income falls between 700,000 EGP and 800,000 EGP, the first tax bracket was 15% on the income ranging from..... to pounds

A.45,000; 60,000.

B.1; 60,000.

C.1; 45,000

D.1; 200,000.

Answer: B



7- According to article 8 of tax law No. 175 of 2023, If the annual net income falls between 800,000 EGP and 900,000 EGP, the first tax bracket was 20% on the income ranging from..... to pounds

A. 45,000; 60,000.

B. 1; 60,000.

C. 1; 45,000

D. 1; 200,000.

Answer: D



8- According to article 8 of tax law No. 175 of 2023, If the annual net income falls between 900,000 EGP and 1,200,000 EGP, the first tax bracket was.....on the income ranging from 1 EGP to 400,000 EGP.

A. 22.5%.

B. 20%.

C. 25%

D. 15%.

Answer: A



9- If you know that the net annual income of the taxpayer amounts to 42,650 pounds, the amount of tax due equals.....

A.105.5 pounds.

B.3,250 pounds.

C.1,265 pounds.

D.7,560 pounds.

Answer: C



Solution

Net annual Income	42,650
30,000 L.E. exempted Bracket	(30,000)
The first bracket from 30,000 to 45,000 is priced at 10%	$12,650 \times 10\% =$ 1,265 L.E
The annual tax due = EGP 1,265	



10- If you know that the net annual income of the taxpayer amounts to 139,640 pounds, the amount of tax due equals.....

A.15,928 pounds.

B.2,250 pounds.

C.1,639 pounds.

D.19,678 pounds.

Answer: D

Solution

Net annual Income	139,640
30,000 L.E. exempted Bracket	(30,000)
First bracket	$15,000 \times 10 \% = 1,500 \text{ L.E}$
Second bracket	$15,000 \times 15 \% = 2,250 \text{ L.E}$
Third bracket	$79,640 \times 20 \% = 15,928 \text{ L.E}$
The annual tax due = EGP 1500+2250+15928 = 19,678 L.E.	



11- If you know that the net annual income of the taxpayer amounts to 276,500 pounds, the amount of tax due equals.....

- A. 55,548 pounds.
- B. 48,962.5 pounds.
- C. 76,500 pounds.
- D. 28,000 pounds.

Answer: B



Solution

Net annual Income	276,500
30,000 L.E. exempted Bracket	(30,000)
First bracket	$15,000 \times 10 \% = 1,500 \text{ L.E}$
Second bracket	$15,000 \times 15 \% = 2,250 \text{ L.E}$
Third bracket	$140,000 \times 20 \% = 28,000 \text{ L.E}$
Fourth bracket	$76,500 \times 22.5\% = 17,212.5 \text{ L.E}$
The annual tax due = EGP 1500+2250+28,000+17,212.5 = 48,962.5 L.E.	



12- If you know that the net annual income of the taxpayer amounts to 2,345,620 pounds, the amount of tax due equals.....

A. 615,045.5 pounds.

B. 300,000 pounds.

C. 140,000 pounds.

D. 28,000 pounds.

Answer: A

Solution

Net annual Income	2,345,620
First bracket	$1,200,000 \times 25\% = 300,000 \text{ L.E.}$
Second bracket	$1,145,620 \times 27.5\% = 315,045.5 \text{ L.E.}$
The annual tax due = $300,000 + 315,045.5 = 615,045.5 \text{ L.E.}$	



13- If you know that the net annual income of the taxpayer amounts to 684,700 pounds, the amount of tax due equals.....

- A. 4,500 pounds.
- B. 28,000 pounds.
- C. 45,000 pounds.
- D. 150,925 pounds.

Answer: D

Solution

Net annual Income	684,700
First bracket	$45,000 \times 10\% = 4,500 \text{ L.E.}$
Second bracket	$15,000 \times 15\% = 2,250 \text{ L.E.}$
Third bracket	$140,000 \times 20\% = 28,000 \text{ L.E.}$
Fourth bracket	$200,000 \times 22.5\% = 45,000 \text{ L.E.}$
Fifth bracket	$284,700 \times 25\% = 71,175 \text{ L.E.}$
The annual tax due = 150,925 L.E	



14- If you know that the net annual income of the taxpayer amounts to 842,080 pounds, the amount of tax due equals.....

- A.40,000 pounds.
- B.195,520 pounds.
- C.45,000 pounds.
- D.110,520 pounds.

Answer: B



Solution

Net annual Income	842,080
First bracket	$200,000 \times 20\% = 40,000 \text{ L.E.}$
Fourth bracket	$200,000 \times 22.5\% = 45,000 \text{ L.E.}$
Fifth bracket	$442,080 \times 25\% = 110,520 \text{ L.E.}$
The annual tax due = 195,520 L.E	



Thank You

Presented by Noha Hamed



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