1. What does the real estate activities sector include?

a) Property leasing

b) Real estate agent services

c) Buying and selling real estate

d) All of the above

Answer: d) All of the above

2. Which of the following is deducted from the Zakat base?

a) Reserves

b) Capital

c) Net fixed assets

d) Advanced revenue

Answer: c) Net fixed assets

3. What is the minimum Zakat base for real estate companies?

a) 0

b) Net profit

c) Net assets

d) Adjusted profit

Answer: d) Adjusted profit

4. The Zakat base for companies holding commercial books is calculated using:

a) Direct method

b) Indirect method

c) Average method

d) Estimated method

Answer: b) Indirect method

5. What must be added to the Zakat base?

a) Net profit

b) Liabilities

c) Assets

d) Intangible assets

Answer: b) Liabilities

6. What is the Zakat rate applied on the Zakat Base?

a) 1%

b) 2%

c) 2.5%

d) 3%

Answer: c) 2.5%

7. The Zakat payer’s fiscal year begins with:

a) Commercial Registration issuance

b) VAT submission

c) Payment deadline

d) ZATCA notification

Answer: a) Commercial Registration issuance

8. Real estate developed for sale is deducted if:

a) It is not a current asset

b) It exceeds 25% in value

c) It is for personal use

d) It has zero sales

Answer: a) It is not a current asset

9. Advance payments received for off-plan sales are recorded under:

a) Current assets

b) Current liabilities

c) Long-term assets

d) Net profit

Answer: b) Current liabilities

10. In finance leases, the leased asset is deducted from the Zakat base for:

a) The lessee

b) The lessor

c) Both parties

d) Neither party

Answer: a) The lessee

11. Real estate held for possession and use is classified as:

a) Zakatable asset

b) Non-zakatable asset

c) Liability

d) Net profit

Answer: b) Non-zakatable asset

12. Zakat on real estate activities is based on:

a) Sales only

b) Rentals only

c) Zakatable assets minus liabilities

d) Capital only

Answer: c) Zakatable assets minus liabilities

13. If the total sales exceed 25% of the real estate under development, then:

a) It is deducted from Zakat

b) It is considered zakatable

c) No changes occur

d) It reduces liabilities

Answer: b) It is considered zakatable

14. What must be classified as non-current assets in financial statements?

a) Assets in current use

b) Real estate developed for sale

c) Sales revenue

d) Loan payments

Answer: b) Real estate developed for sale

15. The executive regulation number for levying zakat is:

a) 2016

b) 2216

c) 3416

d) 4421

Answer: b) 2216

16. Properties under development for personal possession are:

a) Exempt from Zakat

b) Deducted from Zakat base

c) Included in Zakat base

d) Taxable at reduced rate

Answer: b) Deducted from Zakat base

17. When can real estate under development be deducted?

a) When classified as current asset

b) When exceeding 25% sales

c) When not for sale

d) When government-owned

Answer: c) When not for sale

18. Liabilities for off-plan sales are recorded under:

a) Fixed assets

b) Non-current assets

c) Current liabilities

d) Zakatable items

Answer: c) Current liabilities

19. What is the Zakat due if a property has no recorded sales?

a) Minimum SAR 500

b) Exempt

c) Based on VAT

d) Zero

Answer: a) Minimum SAR 500

20. What percentage of advance payments and sales makes a real estate development zakatable?

a) 10%

b) 15%

c) 20%

d) 25%

Answer: d) 25%

21. Which sector's assets are subject to Zakat?

a) Financial only

b) Industrial only

c) All sectors

d) Real estate only

Answer: d) Real estate only

22. When can a lessee deduct an asset in a finance lease?

a) After full payment

b) If it’s a fixed asset

c) If it’s rented

d) In any case

Answer: b) If it’s a fixed asset

23. Zakat is applicable on real estate assets when:

a) Used personally

b) For sale only

c) Classified as liabilities

d) Classified as investments

Answer: b) For sale only

24. Advance revenue is categorized as:

a) Current asset

b) Current liability

c) Non-current asset

d) Zakatable base

Answer: b) Current liability

25. Zakat on off-plan sales is calculated when:

a) Asset is current

b) Asset is non-current

c) Sales exceed 25%

d) Sales are below 25%

Answer: c) Sales exceed 25%

26. Which is not included in the Zakat base calculation?

a) Equity

b) Current assets

c) Intangible assets

d) Non-zakatable assets

Answer: d) Non-zakatable assets

27. Real estate brokerage services are part of:

a) Retail sector

b) Industrial sector

c) Real estate sector

d) Finance sector

Answer: c) Real estate sector

28. Which of the following is considered non-zakatable?

a) Cash in bank

b) Inventory

c) Fixed assets for personal use

d) Receivables

Answer: c) Fixed assets for personal use

29. Zakat for companies with no financial records is calculated using:

a) Direct assessment

b) Indirect method

c) Estimated method

d) Standard formula

Answer: c) Estimated method

30. The Zakat base includes:

a) Revenue only

b) Sales and profits

c) All sources of internal funds

d) Only capital

Answer: c) All sources of internal funds

31. Which of the following is a deductible asset?

a) Cash

b) Accounts receivable

c) Property under development for possession

d) Capital

Answer: c) Property under development for possession

32. Real estate developers report advance client payments as:

a) Current assets

b) Current liabilities

c) Revenue

d) Non-zakatable

Answer: b) Current liabilities

33. Zakat collection responsibilities are overseen by:

a) Ministry of Commerce

b) Central Bank

c) ZATCA

d) Municipalities

Answer: c) ZATCA

34. Zakat declaration for companies should include:

a) Net sales only

b) Net assets only

c) Net income only

d) Total zakatable base

Answer: d) Total zakatable base

35. If a taxpayer has no financial activity, the Zakat payment is:

a) Zero

b) SAR 500

c) Based on previous year

d) Exempt

Answer: b) SAR 500

36. Advance payments for real estate projects are considered:

a) Net income

b) Current assets

c) Deductible assets

d) Liabilities

Answer: d) Liabilities

37. What is not added to the Zakat base?

a) Capital

b) Reserves

c) Zakatable investments

d) Adjusted net profit

Answer: c) Zakatable investments

38. Real estate activities include:

a) Only buying property

b) Only leasing property

c) Buying, selling, and leasing

d) None

Answer: c) Buying, selling, and leasing

39. For the lessee in a financial lease, the asset is considered:

a) Current liability

b) Non-zakatable asset

c) Revenue

d) Deductible

Answer: b) Non-zakatable asset

40. Zakat is levied at:

a) 1%

b) 2%

c) 2.5%

d) 3%

Answer: c) 2.5%