1. What is the deadline for submitting a Zakat declaration to avoid an estimated assessment?

* A) 100 days
* B) 120 days
* C) 90 days
* D) 150 days

Answer: B

2. Which item is not deducted from the Zakat base unless proven used in business operations?

* A) Charitable donations
* B) Fixed assets not used in the business
* C) Employee wages
* D) Office supplies

Answer: B

3. What type of assets are classified as non-current in the Zakat financial statements?

* A) Fixed assets
* B) Inventory
* C) Accounts receivable
* D) Cash

Answer: A

4. Which authority assesses the Zakat obligation when declaration is not submitted on time?

* A) ZATCA
* B) Ministry of Finance
* C) Local Government
* D) Central Bank

Answer: A

5. For Zakat purposes, what value is recorded for real estate under development?

* A) Market value
* B) Original cost
* C) Estimated value
* D) Book value

Answer: D

6. What percentage of total sales and advance payments disqualifies real estate from Zakat deduction?

* A) 10%
* B) 25%
* C) 50%
* D) 75%

Answer: B

7. What term refers to profits carried forward for future use in operations?

* A) Retained earnings
* B) Profits under distribution
* C) Capital gains
* D) Asset revaluation

Answer: B

8. When is a charitable endowment company subject to Zakat requirements?

* A) When registered as a business
* B) Upon receipt of donations
* C) After profit distribution
* D) Upon governmental decision

Answer: D

9. The Zakat declaration must include profits retained for what purpose?

* A) Distribution to shareholders
* B) Reinvestment in business
* C) Charity
* D) Employee bonuses

Answer: B

10. Which item is included in the Zakat base, even if its owners did not collect it?

* A) Unused assets
* B) Profits under distribution
* C) Inventory
* D) Employee benefits

Answer: B

11. What financial statement entry compares with VAT returns for Zakat assessment?

* A) Cash flow
* B) Revenue
* C) Expenses
* D) Net profit

Answer: B

12. Which item is non-deductible from the Zakat base due to lack of usage documentation?

* A) Employee wages
* B) Unused fixed assets
* C) Debts
* D) Inventory

Answer: B

13. Loans provided by one Zakat payer to another are recorded in which account?

* A) Liabilities
* B) Current assets
* C) Non-current assets
* D) Equity

Answer: C

14. If Zakat requirements are not met, who bears the burden of proof?

* A) ZATCA
* B) Zakat payer
* C) Auditor
* D) Government

Answer: B

15. Which document must a company submit for a Zakat audit?

* A) Business plan
* B) Tax return
* C) Zakat declaration
* D) Profit statement

Answer: C

16. Profits announced but uncollected by owners fall under which category?

* A) Retained earnings
* B) Distributable profits
* C) Unclaimed profits
* D) Non-taxable income

Answer: C

17. When real estate under development is not for sale, it can be categorized as:

* A) Non-zakatable
* B) Zakatable
* C) Current asset
* D) Equity

Answer: A

18. The authority may reject Zakat deductions if proof is not provided for:

* A) Loan payments
* B) Asset usage
* C) Charitable donations
* D) Revenue streams

Answer: B

19. For Zakat calculation, retained earnings from past years are categorized as:

* A) Income
* B) Liability
* C) Equity
* D) Zakatable profits

Answer: D

20. Which entity requires Zakat registration even if exempt from Zakat?

* A) Public corporations
* B) Non-subject Zakat payers
* C) International NGOs
* D) Individual donors

Answer: B

21. When submitting Zakat, all fixed assets should be:

* A) Fully depreciated
* B) Listed at book value
* C) Listed at market value
* D) Excluded

Answer: B

22. Under what condition can ZATCA estimate a Zakat obligation?

* A) Profit announcement
* B) Delayed declaration submission
* C) Charity involvement
* D) Asset sale

Answer: B

23. Zakat should be declared within how many days of fiscal year-end?

* A) 90
* B) 120
* C) 150
* D) 180

Answer: B

24. What classification applies to charitable endowment assets for Zakat purposes?

* A) Business assets
* B) Fixed assets
* C) Non-zakatable
* D) Taxable income

Answer: C

25. Profits under distribution are excluded from the Zakat base if:

* A) Used for business
* B) Retained earnings
* C) Unclaimed by owners
* D) Private account use

Answer: D

26. The Zakat declaration must account for which item to reflect accurate assets?

* A) Current liabilities
* B) Fixed liabilities
* C) Fixed assets
* D) Profits under distribution

Answer: D

27. When a Zakat payer fails to verify revenue differences, the authority:

* A) Closes account
* B) Imposes penalty
* C) Adjusts Zakat base
* D) Issues warning

Answer: C

28. Which assets are excluded from Zakat base if not directly utilized in business?

* A) Debentures
* B) Inventory
* C) Unused fixed assets
* D) Cash reserves

Answer: C

29. What action is required if Zakat declaration revenue differs from VAT returns?

* A) Resubmit VAT
* B) Submit supporting documents
* C) Decrease Zakat
* D) Claim deduction

Answer: B

30. For Zakat purposes, when must profits under distribution be recorded?

* A) On distribution
* B) Annually
* C) Upon sale
* D) On owner's request

Answer: B

31. What type of loans are not deductible from Zakat base when given to investees?

* A) Mortgage loans
* B) Debited loans
* C) Fixed assets loans
* D) Equity loans

Answer: B

32. In a Zakat declaration, which income must be disclosed?

* A) Sales only
* B) Investment income
* C) Revenue discrepancies
* D) Unrealized gains

Answer: C

33. How should unused real estate intended for future development be categorized?

* A) Zakatable
* B) Inventory
* C) Non-zakatable asset
* D) Operating income

Answer: C

34. Who must submit Zakat declaration if exempt by governmental ruling?

* A) Non-profit organization
* B) Charitable endowment
* C) Private donors
* D) Small businesses

Answer: B

35. Which revenue source is adjusted in Zakat calculation if documentation is lacking?

* A) VAT returns
* B) Income statement revenue
* C) Cash flow
* D) Retained earnings

Answer: B

36. Which Zakat item requires proof of business use to qualify for deductions?

* A) Inventory
* B) Unused assets
* C) Employee benefits
* D) Office supplies

Answer: B

37. Real estate classified as under development should be treated as:

* A) Taxable
* B) Non-zakatable asset
* C) Income
* D) Liability

Answer: B

38. How does ZATCA handle profits announced but not collected by shareholders?

* A) Add to Zakat base
* B) Exclude from Zakat
* C) Distribute to owners
* D) Transfer to reserves

Answer: A

39. For Zakat purposes, what is the treatment of charitable donations by business entities?

* A) Deduct from Zakat base
* B) Add to Zakat base
* C) Exclude entirely
* D) Report as profit

Answer: A

40. Which authority in Saudi Arabia is primarily responsible for Zakat assessment?

* A) ZATCA
* B) Ministry of Economy
* C) Sharia Council
* D) Ministry of Justice

Answer: A