Question 1

What does **TCP** stand for?
a. Transfer Control Protocol
b. Transmission Control Protocol
c. Transport Connection Process
d. Total Communication Protocol

✅ **Answer:** b. Transmission Control Protocol
📘 **Explanation:** TCP stands for **Transmission Control Protocol**, one of the main protocols in the Internet suite.

Question 2

TCP works at which layer of the OSI model?
a. Network layer
b. Transport layer
c. Data link layer
d. Application layer

✅ **Answer:** b. Transport layer
📘 **Explanation:** TCP operates at the **Transport layer** (Layer 4) of the OSI model.

Question 3

TCP is a __________ protocol.
a. Connection-oriented
b. Connectionless
c. Stateless
d. Non-reliable

✅ **Answer:** a. Connection-oriented
📘 **Explanation:** TCP establishes a **connection** before data transfer begins, ensuring reliable communication.

Question 4

Which of the following ensures **reliable data transfer** in TCP?
a. IP addressing
b. Checksums, acknowledgments, and retransmissions
c. Routing tables
d. DNS lookups

✅ **Answer:** b. Checksums, acknowledgments, and retransmissions
📘 **Explanation:** TCP uses **error detection and acknowledgment mechanisms** to ensure reliability.

Question 5

What is the purpose of the **three-way handshake** in TCP?
a. To close a connection
b. To establish a reliable connection
c. To check packet errors
d. To transfer data faster

✅ **Answer:** b. To establish a reliable connection
📘 **Explanation:** The **three-way handshake** (SYN, SYN-ACK, ACK) sets up a **reliable communication channel** between two devices.

Question 6

Which flag is used in TCP to initiate a connection?
a. ACK
b. FIN
c. SYN
d. RST

✅ **Answer:** c. SYN
📘 **Explanation:** The **SYN flag** (synchronize) is used to start a TCP connection during the three-way handshake.

Question 7

What does the **ACK flag** in TCP signify?
a. Request to end connection
b. Acknowledgment of data receipt
c. Synchronization request
d. Error message

✅ **Answer:** b. Acknowledgment of data receipt
📘 **Explanation:** The **ACK flag** tells the sender that data was received successfully.

Question 8

Which TCP mechanism prevents **network congestion**?
a. Slow start and congestion control
b. Error correction
c. Flowchart control
d.

You said:

us cpa 10 mcq on tcp tax

ChatGPT said:

Here are **10 easy US CPA REG (Taxation of Property Transactions – TCP)** MCQs with **answers and explanations** 👇

Question 1

Which of the following is a **capital asset**?
a. Inventory held for sale
b. Accounts receivable from customers
c. Personal automobile used by an individual
d. Machinery used in business

✅ **Answer:** c. Personal automobile used by an individual
📘 **Explanation:** Personal-use property is a **capital asset**. Business-use property and inventory are **not**.

Question 2

A taxpayer purchased stock for $3,000 and sold it for $4,500. What is the gain or loss?
a. $1,500 capital gain
b. $1,500 ordinary income
c. $1,500 capital loss
d. $4,500 capital gain

✅ **Answer:** a. $1,500 capital gain
📘 **Explanation:** Selling price – cost = $4,500 – $3,000 = **$1,500 capital gain**.

Question 3

Which of the following is **not** a Section 1231 asset?
a. Land used in business
b. Building used in business

c. Accounts receivable
d. Machinery used in business

✅ **Answer:** c. Accounts receivable
📘 **Explanation:** Section 1231 assets are **depreciable property or real property** used in business and held >1 year.

Question 4

Depreciation recapture under **Section 1245** applies to:
a. Personal property only
b. Real property only
c. Inventory
d. Intangible assets

✅ **Answer:** a. Personal property only
📘 **Explanation: §1245** applies to **depreciable personal property** (like equipment, machinery).

Question 5

If a business sells equipment for more than its original cost, the **amount exceeding original cost** is:
a. Ordinary income
b. Capital gain
c. Section 1245 recapture
d. Nontaxable

✅ **Answer:** b. Capital gain
📘 **Explanation:** Any amount **above original cost** after depreciation recapture is **capital gain**.

Question 6

Losses on the sale of **personal-use property** (like a personal car) are:
a. Fully deductible
b. Deductible up to $3,000
c. Not deductible
d. Treated as long-term capital loss

✅ **Answer:** c. Not deductible
📘 **Explanation: Personal losses** are **not deductible** under U.S. tax law.

Question 7

A taxpayer exchanges business equipment (FMV $10,000, basis $6,000) for similar new equipment (FMV $12,000) and pays $2,000 cash. What is the **recognized gain** under like-kind exchange rules (pre-2018)?
a. $0
b. $2,000
c. $4,000
d. $6,000

✅ **Answer:** a. $0
📘 **Explanation:** Like-kind exchanges of business property (before 2018) are **nontaxable** if no boot is received.

Question 8

A building (basis $300,000) is destroyed by fire. Insurance proceeds are $350,000. The taxpayer reinvests $340,000 in a new building. What gain is recognized?
a. $0
b. $10,000
c. $40,000
d. $50,000

✅ **Answer:** b. $10,000
📘 **Explanation:** Realized gain = $50,000. Reinvested less than proceeds by $10,000 → **$10,000 recognized** under involuntary conversion rules (§1033).

Question 9

Which of the following statements about **capital losses** is correct?
a. Individuals can deduct unlimited capital losses.
b. Corporations can deduct up to $3,000 of capital losses.
c. Individuals can deduct up to $3,000 ($1,500 if MFS).
d. Capital losses are fully deductible against salary income.

✅ **Answer:** c. Individuals can deduct up to $3,000 ($1,500 if MFS).
📘 **Explanation:** Net capital losses can offset ordinary income up to these limits.

Question 10

Section 1250 depreciation recapture applies to:
a. Depreciable personal property
b. Real property (buildings)
c. Land
d. Intangibles

✅ **Answer:** b. Real property (buildings)
📘 **Explanation: §1250** applies to **depreciable real property** such as buildings used in a trade or business.

Would you like the **next 10 TCP MCQs** to be **numerical (calculation-based)** or **conceptual/theory-based**?

You said:

10 us cpa audit mcq

ChatGPT said:

Here are **10 easy-to-moderate US CPA AUD (Auditing & Attestation)** multiple-choice questions with **answers and brief explanations** 👇

Question 1

The primary purpose of an audit is to:
a. Detect all fraud and errors
b. Provide absolute assurance about financial statements
c. Express an opinion on the fairness of financial statements
d. Prepare financial statements

✅ **Answer:** c. Express an opinion on the fairness of financial statements
📘 **Explanation:** The auditor's responsibility is to **express an opinion**, not to prepare or guarantee financial statements.

Question 2

Which of the following provides the **most reliable audit evidence**?
a. Inquiry of management
b. External confirmations from banks
c. Analytical procedures
d. Observation of client's employees

✅ **Answer:** b. External confirmations from banks
📘 **Explanation:** **External evidence** from independent sources is the most reliable form of audit evidence.

Question 3

The **audit risk model** is expressed as:
a. AR = IR × CR × DR
b. AR = IR + CR + DR
c. AR = IR ÷ CR ÷ DR
d. AR = IR – CR – DR

✅ **Answer:** a. AR = IR × CR × DR
📘 **Explanation:** Audit Risk (AR) = Inherent Risk × Control Risk × Detection Risk.

Question 4

An auditor's responsibility for detecting **fraud** is to:
a. Prevent fraud
b. Guarantee no fraud exists
c. Design the audit to provide reasonable assurance of detecting material fraud
d. Report all fraud to the police

✅ **Answer:** c. Design the audit to provide reasonable assurance of detecting material fraud
📘 **Explanation:** The auditor is responsible for **reasonable**, not absolute, assurance of detecting **material misstatements due to fraud**.

Question 5

Which of the following is an **example of a control activity**?
a. Risk assessment
b. Monitoring
c. Performance reviews and reconciliations
d. Control environment

✅ **Answer:** c. Performance reviews and reconciliations
📘 **Explanation:** Control activities are **specific policies and procedures** that help ensure management directives are carried out.

Question 6

If an auditor concludes that there is **substantial doubt about a company's ability to continue as a going concern**, the auditor should:
a. Withdraw from the engagement
b. Issue a disclaimer of opinion
c. Add an explanatory paragraph to the audit report
d. Express an adverse opinion

✅ **Answer:** c. Add an explanatory paragraph to the audit report
📘 **Explanation:** The auditor adds an **emphasis-of-matter paragraph** to highlight going-concern uncertainty.

Question 7

Which of the following is a **control deficiency**?
a. A missing control that could prevent a material misstatement
b. An immaterial misstatement
c. A control that detects all frauds
d. An overstatement of revenue

✅ **Answer:** a. A missing control that could prevent a material misstatement
📘 **Explanation:** A **control deficiency** exists when a control is missing or ineffective, creating risk of misstatement.

Question 8

Which of the following opinions means the financial statements are **fairly presented** in all material respects?
a. Qualified opinion
b. Adverse opinion
c. Disclaimer of opinion
d. Unmodified opinion

✅ **Answer:** d. Unmodified opinion
📘 **Explanation:** An **unmodified (unqualified)** opinion means the financial statements are presented fairly under GAAP.

Question 9

Which of the following statements is **true** about internal auditors?
a. They must be independent of the organization.
b. Their work can never be used by external auditors.
c. They are employees of the organization.
d. They issue the external audit report.

✅ **Answer:** c. They are employees of the organization.
📘 **Explanation:** Internal auditors work **within** the organization and assist management; external auditors must remain **independent**.

Question 10

Which of the following procedures is performed **near the end of an audit**?
a. Tests of controls
b. Substantive analytical procedures
c. Review of subsequent events
d. Understanding internal control

✅ **Answer:** c. Review of subsequent events
📘 **Explanation:** The auditor reviews **subsequent events** to ensure events after the balance sheet date are properly reflected.