**MCQ on Interest,Penalties and prosecution**

**Correct alternative is in Bold character**

Q1.The provision of interest for non payment of Advance Tax are

Ans:a) Section 234A,234B and 234C

b) Section 234A and 234B

c) **Section 234B and 234C**

d) Section 234B,234C and 234D

Q2 For filing of belated return of an assessee U/s 139(4) having no liability to pay advance tax,the interest will be charged U/s\_\_\_\_\_

1. **234A**
2. 234B
3. 234C
4. None of the alternative

Q3 When the assessed tax is increased from the tax as computed under the self assessment U/s 140A,the interest will be charged U/s \_\_\_\_\_

a)Section 234B and 234C

b) Section 234B only

c) Section 234A 234B and Section 220

d) **Section 234A and 234B**

Q4 Section 234D is only applicable when \_\_\_\_\_

1. **When the assessee has received refund of tax and subsequently such refund is either reduced or converted to the assessed dues of that assessee or the A.O. wrongly granted refund and credited to the assessee’s bank account**
2. When the tax is not paid at the time of filing of Return
3. When the assessed dues are not paid at all
4. None of the alternative

Q5 Section 234C is only applicable to a person who availed U/s 44ADA and not paid tax by\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. 15th June,15th September,15th December and 15th March as per

mandated sequences

1. 15th September,15th December and 15th March as per mandated

sequences

1. **By 15th March only**
2. None of the alternative

Q6 TDS and TCS are both qualifying for the computation of interest on payment of Advance Tax and Self assessment Tax

1. **Absolutely correct**
2. Partially correct
3. Not correct at all
4. None of the alternative

Q7 The A.O. has a right to initiate the proceeding of prosecution but can

not prosecute the assessee save and except the order received from

the appropriate court

**a)Absolutely correct only on cognizable offence**

1. Partially correct even on non cognizable offence
2. Not correct at all
3. None of the alternative

Q8 The quantum of penalty after addition with the income as offered in

the Return of Income depends upon the \_\_\_\_\_\_\_\_\_\_

a)Residential status of the assessee as well as on the discretion of

the A.O.

b)Depending upon the discretion of the A.O.

**C)Depending upon the under reporting or misreporting of**

**income**

d) None of the alternative

Q9 Penalty will be applicable @200% of Tax shortly paid on \_\_\_\_\_\_

1. Under-reporting of income
2. **Mis-reporting of Income and also Under reporting of income derived from Misreporting of income**
3. Any income which the A.O. deem fit that the same is falsified by the assessee
4. None of the alternative

Q10 Consequences of non filing of Return of Income by an assessee

1. Interest and Late fees only
2. Interest,Late fees and penalty only
3. **Interest,Late fees, penalty and upon discretion of the A.O. prosecution also**
4. None of the alternatives