

MCQ on Consequences of Not Filing ITR_ Class Date – 05.01.2025

1. What is the interest rate charged under Section 234A for late filing of income tax return?

- A) 0.5% per month
- B) 1% per month**
- C) 1.5% per month
- D) 2% per month

2. What is the maximum penalty for not filing an income tax return in India before the end of the assessment year u/s 234F:-

- A) ₹1,000
- B) ₹5,000**
- C) ₹10,000
- D) ₹20,000

3. Which of the following is a possible consequence of not filing an income tax return on time:-

- A) Loss of interest on refund
- B) Disqualification for loans
- C) Increased scrutiny by the IT department
- D) All of the above**

4. What is the penalty for not filing a tax return if your income is below Rs. 5 Lakhs:

A) No penalty

B) ₹1,000

C) ₹5,000

D) ₹10,000

5. What can happen if you fail to file your income tax return and you have taxable income?

A) You may receive a notice from the IT department

B) You may have to pay interest on the due amount

C) You may face penalties

D) All of the above

6. Under which section of IT Act, Interest for default in payment of advance tax is charged ;-

A) 234A

B) 234B

C) 234C

D) 271

7. Under which section of IT Act, Interest for default in payment of **installment of advance tax is charged :**

A) 234A

B) 234B

C) 234C

D) 271

8. What is the period of levy of interest under section 234A :

A) For one year

B) For two years

C) Up to the date of furnishing the return

D) Six months

9. In terms of IT Act, how much advance tax should be deposited by 15th of March :

A. 100%

B. 90%

C. 50%

D. 75%

10. Carry forward of losses is not allowed if return has not been filed within due date except :

A) Losses of House Property

B) Losses on account of capital borrowings

C) Losses on account of depreciation

D) Losses due to court order.