

**MCQ on Consequences of Not Filing ITR\_ Class Date – 09.11.2025**

**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 15<sup>th</sup> 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.