

MCQ: Stay and Recovery [Correct alternative is under bold character]

Q 1. Proceedings of Recovery initiates after _____

- a) issuance of notice for payment of taxes
- b) issuance of demand notice U/s 156 for payment of taxes
- c) issuance of demand notice U/s 156 for payment of taxes and also the time limit for payment of tax as stipulated in that demand notice has been passed.**
- d) Both the alternative (a) and (b)

Q 2. Who can issue notice for the recovery of taxes

- a) The Inspector of the department
- b) The Assessing Officer
- c) The TRO
- d) Both of the alternative (b) and (C)**

Q 3. The Stay Proceedings can be initiated after

- a) initiation of the recovery proceedings
- b) issuance of the assessment order
- c) issuance of the demand notice**
- d) after issuance of any one of above

Q 4. Prosecution notice can be issued by the A.O. or TRO against the defaulting assessee.

- a) Absolutely correct
- b) Partially correct
- c) Not correct at all
- d) Both the A.O. and TRO can initiates the proceedings of Prosecution but cannot issue the notice for warrant for Prosecution**

Q 5. The demand notice must be issued within 30 days from the date of the Assessment order.

- a) Partially correct
- b) Absolutely correct
- c) Not correct at all**
- d) Correct if the assessment order is passed U/s 143(3) or U/s 147

Q 6. Recovery proceeding can also be sustained even if the entire taxes on demand are paid but the consequential interests are partly paid

- a) Partially correct

- b) **Absolutely correct**
- c) Correct if taxes are paid within the stipulated period
- d) Not Correct at all

Q 7 Stay petition can be filled before the _____

- a) Assessing Officer
- b) Commissioner of Income Tax (Appeal)
- c) ITAT
- d) **Any one of the alternative**

Q 8. Auto stayed can be granted when _____

- a) 15% of tax is paid
- b) 20% of tax is paid
- c) **20% of the gross demand has been paid and the assessee has filed the appeal which is pending before the L'd CIT**
- d) None of the alternative

Q 9. No one can recover the tax unless that person or the group of persons are authorised under law.

- a) Partially correct
- b) **Absolutely correct includes the A.O. and TRO**
- c) Correct till the amendment made as on 31.03.2022
- d) Not Correct at all

Q 10. The Assessing office can frame a charge on recovery of tax when _____

- a) **the assessee is deemed to be treated as the assessee deem to be in default U/s 220**
- b) The operation of the assessee is violative in nature
- c) The assessee has paid nothing against his demand of tax
- d) None of the alternative

Q 11. The Fixed assets can be attached by the

- a) A.O. not below the rank of Assistant Commissioner
- b) A.O. not below the rank of Joint Commissioner
- c) A.O. not below the rank of the Commissioner
- d) **TRO not below the rank of the Income Tax Officer**

Q 12. The certificate for the recovery of taxes will be issued U/s_____

- a) 220
- b) **221**
- c) 223
- d) 224

Q 13. Stay against the recovery proceedings can be initiated after issuance and also submissions of _____

- a) Stay petition before the A.O.
- b) Stay petition before the TRO
- c) Stay petition before the CIT(A) or ITAT
- d) Any one of the alternative (a) and (b)**

Q14. Application for the stay against the Recovery of demand will be made

- a) Through plain paper**
- b) Through plain paper having statutory format thereon
- c) Through the statutory Form
- d) None of the alternative

Q15. The ITAT cannot accord the stay for the period of

- a) more than 180 days
- b) more than 365 days**
- c) more than 730 days
- d) more than 3 Financial Year

Q 16 Once stay is granted, recovery cannot be sustained against the said proceedings

- a) Absolutely correct**
- b) Correct if taxes are paid within the stipulated period
- c) Partly correct
- d) Not correct at all

Q 17 The time limit to dispose of the stay petition by the L'd A.O. is

- a) Within the week from the date of filing of Stay petition
- b) Within two weeks from the date of filing of Stay petition
- c) Within fifteen days from the date of filing of Stay petition**
- d) Within one month from the date of filing of Stay petition

Q 18. Recovery proceedings cannot be initiated _____

- a) against the assessment passed U/s 143(1)(a)
- b) against the assessment passed U/s 153A
- c) against the assessment passed U/s 147
- d) None of the alternative**