**MCQ on Best Judgement Assessment u/s 144\_ Class Date – 28.07.2024**

1. **Under which section of the Income Tax Act is the best judgement assessment conducted?**

A) Section 139

B) Section 143

**C) Section 144**

D) Section 147

1. **What is a primary condition under which a best judgement assessment can be made?**

A) If the taxpayer has filed a return

B) If the taxpayer has maintained proper books of accounts

**C) If the taxpayer fails to comply with a notice issued under Section 142(1)**

D) If the taxpayer has paid all taxes on time

1. **What can a taxpayer do if they are aggrieved by the best judgement assessment order:**

A) Nothing, as the assessment is final

B) File a complaint with the police

**C) Appeal to the Commissioner (Appeals)**

D) Request a new assessment

1. What is the time line to file an appeal against order of Best Judgement assessment :
2. **Within 30 days**
3. Within 60 Days
4. Within 90 Days
5. Within 1 Year
6. **What must the Assessing Officer do before making a best judgement assessment under Section 144?**

**A) Issue a notice to the taxpayer providing an opportunity to be heard**

B) Immediately pass the assessment order

C) File a report to the Commissioner of Income Tax

D) Take no further action if the taxpayer does not respond

1. **In a best judgement assessment under Section 144, what is the Assessing Officer required to do?**

A) Accept the income declared by the taxpayer

**B) Make an assessment based on the best of his judgment**

C) Consult with the taxpayer before making the assessment

D) Ignore any discrepancies in the taxpayer's records

1. **Under which section of the Income Tax Act is the Dispute Resolution Panel (DRP) constituted?**

A) Section 144

B) Section 144A

**C) Section 144C**

D) Section 148

1. **What is the time limit for the DRP to issue directions after receiving the objections from the eligible assessee?**

A) 6 months

**B) 9 months**

C) 12 months

D) 18 months

1. **Who can refer their case to the Dispute Resolution Panel under Section 144C?**

A) Any taxpayer

B) Resident individuals

C) Non-resident individuals

**D) Eligible assessees, including foreign companies and any person in whose case transfer pricing adjustments are made**

1. **Within how many days must an eligible assessee file objections with the DRP after receiving a draft assessment order?**

A) 15 days

**B) 30 days**

C) 45 days

D) 60 days