

Quadrant IV – In Module Assessment

Paper Code: TAX 0626/ 0910

Module Name: Settlement of Grievances and Prosecution, Income Tax Rules.

MCQ

1. Tax settlement Commission is a quasi judicial body, was set up under:
 - a. Section 245 B
 - b. Section 245 C
 - c. Section 245 D
 - d. Section 245 E

2. Settlement application is to be filed under the Income Tax Rules, 1962 :
 - a. in the prescribed Form No.34-B
 - b. in the prescribed Form No.34-A
 - c. in the prescribed Form No.34-D
 - d. in the prescribed Form No.34-C

3. If applicant does not fulfil required conditions it can be rejected by the tax settlement Commission during the course of proceedings under section 245D (1) within :
 - a. 14 days of filling of the Settlement application
 - b. 15 days of filling of the Settlement application
 - c. 20 days of filling of the Settlement application
 - d. 30 days of filling of the Settlement application

4. The Income Tax Rules were created in the year :
 - a. 1961
 - b. 1962
 - c. 1963
 - d. 1964

Completion type (fill-in-the-blanks)

- a. The number of Vice-Chairman and members in the Settlement Commission is decided by the _____.

- b. The Commission is required to give an opportunity to the applicant before treating the application as invalid under Section _____.
- c. Whenever Income-tax department feels that a particular person has committed a particular offence, a wrongful act or he is guilty of a crime, the department will initiate the proceedings before a _____.
- d. The _____ has the power to amend the Income Tax Rules.

Short Answer – I (short notes - say 20 to 50 words)

- a) State the objective of setting up tax settlement commission?
- b) What is the composition of tax settlement commission?
- c) Which documents are required to be attached along with settlement application?
- d) What are the grounds to challenge the order passed by the Settlement Commission?

Short Answer – II (extended - say 50 to 100 words)

- a) Write in detail about prosecutions under the Income Tax Act 1961.
- b) Discuss the procedure followed by the tax settlement commission on receipt of settlement application.
- c) Explain the importance of Income tax Rules 1962.
