**1. What triggers the issuance of a Notice of Demand under the Income-tax Act?**

* A) Filing of a revised return
* B) Assessment of additional tax liability by the Assessing Officer
* C) Refund of excess tax paid
* D) Submission of incorrect documents

**Answer:** B) Assessment of additional tax liability by the Assessing Officer

**2. What is the primary purpose of a Notice of Demand?**

* A) To inform the taxpayer about the start of an audit
* B) To demand payment of additional tax assessed
* C) To notify about a refund due to the taxpayer
* D) To request additional documentation from the taxpayer

**Answer:** B) To demand payment of additional tax assessed

**3. Under which section of the Income-tax Act can a taxpayer or Assessing Officer request a rectification of a mistake?**

* A) Section 147
* B) Section 139
* C) Section 234
* D) Section 154

**Answer:** D) Section 154

**4. Which of the following is eligible for rectification under Section 154?**

* A) Reassessment of income
* B) A mistake apparent from the record
* C) Dispute over the tax rate applied
* D) Change in the taxpayer's residential status

**Answer:** B) A mistake apparent from the record

**5. What is the primary benefit of using the e-process for responding to a notice under Section 154?**

* A) Faster resolution of disputes
* B) Reduced need for physical visits to tax offices
* C) Greater accuracy in rectification applications
* D) All of the above

**Answer:** D) All of the above

**6. What is the first step a taxpayer should take when responding to a Notice u/s 154 through the e-process?**

* A) File an appeal to the Commissioner
* B) Submit a rectification application online
* C) Make an appointment with the Assessing Officer
* D) Pay the additional tax demanded

**Answer:** B) Submit a rectification application online

**7. Which of the following is a key element to include when drafting a rectification application?**

* A) Detailed explanation of the mistake
* B) New evidence not previously submitted
* C) Request for a lower tax rate
* D) A petition for reassessment

**Answer:** A) Detailed explanation of the mistake

**8. When drafting a rectification application, what is the most important document to attach?**

* A) PAN card copy
* B) Bank statements
* C) Evidence supporting the rectification claim
* D) Proof of address

**Answer:** C) Evidence supporting the rectification claim

**9. Who has the authority to accept or reject a rectification application under Section 154?**

* A) Taxpayer's legal advisor
* B) Income-tax Appellate Tribunal
* C) Assessing Officer
* D) High Court

**Answer:** C) Assessing Officer

**10. What is the typical outcome if the Assessing Officer finds the rectification application to be valid?**

* A) The demand notice is withdrawn
* B) A reassessment of income is initiated
* C) The taxpayer is penalized
* D) The mistake is corrected, and the taxpayer is notified

**Answer:** D) The mistake is corrected, and the taxpayer is notified