

1. Under Section 194DA of the Income Tax Act, what is the threshold for the deduction of tax on the payment of life insurance policy proceeds?

- A) ₹1,00,000
- B) ₹1,50,000
- C) ₹2,50,000
- D) ₹5,00,000

Answer: A) ₹1,00,000

2. As per Section 194E of the Income Tax Act, tax is deducted at source on payment to non-resident sportsmen or sports associations. What is the applicable rate of TDS?

- A) 10%
- B) 20%
- C) 30%
- D) 5%

Answer: B) 20%

3. In case of payments made under Section 194EE, the tax is deducted at source on the maturity amount of a National Savings Scheme. What is the TDS rate for such payments?

- A) 10%
- B) 20%
- C) 30%
- D) 5%

Answer: A) 10%

4. Section 194F deals with TDS on payments made to mutual funds or specified financial institutions. What is the rate of TDS under this section?

- A) 10%
- B) 20%
- C) 15%
- D) 5%

Answer: A) 10%

5. According to Section 194G, the TDS rate on commission or remuneration paid by a person to an agent for the sale of lottery tickets is:

- A) 10%
- B) 5%
- C) 2%
- D) 15%

Answer: C) 2%

6. Under Section 194H of the Income Tax Act, tax is deducted at source on commission payments. What is the rate of TDS applicable to commission payments?

- A) 15%
- B) 2%
- C) 5%
- D) 20%

Answer: B) 2%

7. Section 194DA applies to the payment of life insurance policy proceeds. When is the tax deducted under this section?

- A) On the policyholder's death
- B) On maturity of the policy
- C) Only on surrender of policy
- D) On partial withdrawals from policy

Answer: B) On maturity of the policy

8. What is the purpose of Section 194E of the Income Tax Act?

- A) Tax deduction on commission payments to insurance agents
- B) Tax deduction on payments to non-resident sportsmen or sports associations
- C) Tax deduction on income from mutual funds
- D) Tax deduction on lottery winnings

Answer: B) Tax deduction on payments to non-resident sportsmen or sports associations

9. Section 194F is applicable to which of the following transactions?

- A) Payments of rent
- B) Payments of interest
- C) Payments from National Savings Schemes
- D) Payments made to mutual funds

Answer: C) Payments from National Savings Schemes

10. As per Section 194G, who is responsible for deducting tax at source on the sale of lottery tickets?

- A) The purchaser of the lottery tickets
- B) The government
- C) The lottery distributor
- D) The person paying commission

Answer: C) The lottery distributor