

SEMESTER – II

PAPER – 2.3 **Taxation and Tax Planning**

Full Marks : 100

Objective: The objective of this course is to acquaint the students with the tax structure for **individuals and corporates** and also its implications for planning.

Course Contents:

Unit I [8L]

Income tax concepts: Previous Year, Assessment Year, Person, Assessee, Income (including agricultural income), Residential Status and their incidence of tax, Gross Total Income, Total Income; Income which do not form part of total income, Tax Evasion, Tax Avoidance.

Unit II [30L]

Computation of Income under different heads

- Salary - Basics, Gratuity, Leave Encashment, Pension, Allowances, Provident Fund, Perquisites (valuation of accommodation, motor car, interest free loan, medical facilities, employee's obligation met by employer).
- House Property
- Profits and Gains from Business or Profession - Sec. 29, Sec. 30, Sec. 32, Sec. 35, Sec. 35D, Sec. 36(1)(iii) and (vii), Sec. 37(1), Sec. 40 (a), Sec 40A (3), and Sec. 43B.
- Capital gains - Sec. 2(14), Sec. 2(29A), Sec. 2(42A), Sec. 2(47), Sec. 45(1), Sec. 45(2), Sec. 47, Sec. 48, Sec. 49(1), Sec. 50, Sec. 50C, Sec. 54, and Sec. 55.
- Income from Other Sources - Gift, Dividend, Family pension.

Unit III [12L]

Clubbing of Income - Sec. 64(1) and (1A).

Set-off and carry-forward of losses - Sec. 70, 71, 71B, 72, 73, 74].

Deductions from gross total income - Sec. 80C, Sec. 80D, Sec. 80E, Sec. 80G, Sec. 80GG, Sec. 80TTA, Sec. 80U.

Computation of tax liability.

Procedure for assessment: E-filing of return.

Unit IV [8L]

Meaning of Tax Planning and Management; Nature, scope and justification of corporate tax planning; Minimum Alternative Tax; Introduction to tax planning with reference to financial decisions; tax planning with reference to amalgamation or de-merger of companies (only theory)

Unit V [12L]

Introduction to Goods and Services Tax

Text Books:

1. Singhania, V.K. Student Guide to Income Tax. Taxmann Publications Pvt. Ltd. (Latest ed.)
2. Ahuja& Gupta. Simplified Approach to Corporate Tax. Flair Publications Pvt. Ltd (Latest ed.)

References:

1. Ahuja& Gupta. Simplified Approach to Income Tax Flair, Publications Pvt. Ltd.

2. Singhania, V.K. Student Guide to Income Tax. (University ed.). Taxmann Publications Pvt. Ltd.
3. Sengupta, C.H. Law and Practice of Direct and Indirect Taxes, Dey Book Concern.

Online Readings/Supporting Material:

1. Finance Act for the relevant assessment year.
2. CBDT Circulars.
3. Latest Court Judgments for the relevant Assessment year.