

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Com LSM

Semester: V

INCOME TAX

Course Code: 18BL501

No. of Hours: 60

COURSE OBJECTIVES:

- To expose students to various provisions of the Income Tax Act relating to computation of income of individual assesses only.
- To equip students with the knowledge of identifying different heads of income of an individual.
- To enable them to assess the income of an individual by taking benefit of the exemptions that are available.

LEARNING OUTCOMES:

- Students are familiarized with the Income Tax Act and its provisions.
- Understand the different heads of income and the concept of Residential Status of an individual.
- Computation of income under various heads.

UNIT 1:

8 HRS

Introduction

Brief history of Income Tax – Legal Frame Work – Cannons of Taxation – Finance Bill – Scheme of Income Tax.

Definition: Assessee – Person – Assessment Year – Previous Year – Income – Gross Total Income – Total Income

Residential Status: Resident – Ordinary & Not ordinary Resident – Non Resident of individual with incidence of tax.

UNIT 2:

6 HRS

Exempted u/s. 10

(Restricted to Individual Assessee) Fully Exempted and Partially Exempted Incomes – Leave Encashment – Commutation of Pension – Death cum Retirement benefits – Gratuity – Compensation received on Termination of the service (explanation of theory only) – Only Problems on House Rent Allowance.

UNIT 3:

12 HRS

Income from salary

Income from Salary – Features of Salary Income – Basic Salary

Allowance – Types – Perquisites – Types Sec.89 (1) – Tax Rebate u/s.88 – Practical Problems

UNIT 4: 10 HRS

Income from house property

Introduction – Annual value under different situations (self occupied – Let out – Partly self occupied Partly Let out – Portion wise and time wise) – Deductions (u/s. 24) – Practical Problems.

UNIT 5: 14 HRS

Income from business and profession

Permissible deductions – Disallowable Expenses – Income and Expenses of Illegal Business – Computation of Business Income (simple problems) – Profession Computation of Doctors, Lawyers, Chartered Accountants, Civil Engineers, Practical Problems.

UNIT 6: 6 HRS

Income from capital gains

Meaning of Capital Assets – Types of Capital Asset – Transfer – Cost of Acquisition – Cost of Improvement – Selling Expenses – Treatment of Advance Money Received – Exemptions – Practical Problems.

UNIT 7: 4 HRS

Income from other sources / deduction from gross total income and computation of total income & tax payable

Specific Income – Deductions – Grossing up – Explanation of theory only.

Deduction Liab to Individual only u/s. 80 C, 80 CCC, 80 CCD, 80 CCG, 80 DD, 80 D, 80 DDB, 80 E, 80 EE, 80 G, 80 GG, 80 TTA, 80 U

Skill Development:

- Filling of Income Tax Returns.
- List of enclosures to be made along with IT returns (with reference to salary & Business).
- Preparation of Form – 16.
- Computation of Income Tax and the Slab Rates.
- Chart on set off and carried forward losses.

BOOKS FOR REFERENCE:

1. B.B.Lal Direct Taxes, Konark Publisher (P) Ltd.
2. B. S. Raman Income Tax
3. Bhagwathi Prasad Direct Taxes – Law and Practice, VishwaPrakashna
4. DinakarPagare Law and Practice of Income Tax, Sultan Chand and Sons
5. Dr. GirishAhuja& Dr. Ravi Gupta Income Tax
6. Dr. Mehrotra& Dr. Goyal Direct Taxes – Law and Practice, SahityaBhavan Publication
7. Dr. Vinod. K. Singhanian, Direct Taxes – Law and Practice, Taxmann Publication