

FSO309 Tax Planning and Management [4 Credits]

Learning Objective: *The course aims at providing the students a comprehensive introduction to Income Tax so as to enable them in computing income from different sources and also helps them in understanding the concept and importance of corporate tax planning. (Topics are covered based on the amendments made from time to time.*

UNIT 1: Residential Status and Income from Salaries (14 Hours)

Introduction – Residential Status – Incomes exempt from tax – Income from Salaries – Perquisites – Valuation of Perquisites- tax treatment of different forms of salary income – Retirement Benefits, Provident Funds and its types *(Includes Practical Problems)*

UNIT 2: Income from House Property and Profits and Gains from Business or Profession (14 Hours)

Income from House Property – chargeability – computation of income from let out and self occupied house property – Profits and gains of business or profession – chargeability – deductions allowed in respect of expenses/ allowances – depreciation – expenditure on scientific research – amortization of preliminary expenses – amounts expressly disallowed under the act *(Includes Practical Problems)*

UNIT 3: Capital Gains and Income from Other Sources (12 Hours)

Income from Capital Gains – chargeability – computation of capital gain – capital gains exempt from tax – short term and long term capital gains charged to tax

Income from other sources – clubbing of income – set off and carry forward of losses *(Includes Practical Problems)*

UNIT 4: Deductions from Gross Total Income, Returns of Income and Assessment (10 Hours)

Deductions from Gross Total Income – Return of Income and Assessment – Belated Return, Revised Return, Defective Return – Self-Assessment, Re-assessment - Advance payment of tax *(Includes Practical Problems)*

UNIT 5: Taxation of Companies (10 Hours)

Tax Planning, Tax Avoidance and Tax Evasion

Corporate Tax Planning: Meaning and objectives – Scope of corporate tax planning – Types of companies – residential status of a company and tax incidence – Areas for corporate tax planning – Tax management – Assessment of income – Filing of returns

Taxation of Companies: Computation of income under the heads of income applicable to corporate assesses – Set off and carry forward of losses – Deductions available in respect of gross total income – Computation of taxable income – Tax liability of a company. *(Includes Practical Problems)*

Suggested Readings:

1. Singhanian, V.K., Direct Taxes: Laws and Practices, Taxman Publications, New Delhi.
2. Singhanian, V. K., Students' Guide to Income Tax, Taxmann Publications, New Delhi
3. Singhanian, et al, Direct Taxes: Planning and Management, Taxman Publication, New Delhi.
4. Bhagwati Prasad, Direct Taxes, New Age, New Delhi.
5. Mehrotra and Goyal, Direct Taxes – Tax Planning and Management, Sahitya Bhaavan, Agra.
6. Srinivas, Corporate Tax Planning, TMH, New Delhi.
7. Lakhotia, Corporate Tax Planning, Lakhotia, New Delhi