**(Core-6)**

**INCOME TAX LAW AND PRACTICE**

Objective: To provide basic knowledge and equip students with the application of principles and provisions of Income Tax Act 1961.

Learning Outcomes: This paper would provide the understanding of various provisions of Income Tax Act as well as equip the students to make practical applications of the provisions for taxation purpose.

**Unit I :**

a) Basic Concepts and Definitions under IT Act: Assessee, Previous year, Assessment year, Person, Income, Sources of income, Heads of income, Gross total income, Total income, Maximum marginal rate of tax, Tax Evasion, Tax avoidance and Tax planning

b) Residential Status and Incidence of Tax, Residential status of all persons except company

c) Incomes which do not form part of Total Income Except section 10AA.

d) Agricultural Income Definition, determination of agricultural and non-agricultural Income, assessment of tax liability when there is both agricultural and non- agricultural income

**Unit II:**

Heads of Income and Provisions governing Heads of Income

a) Income from Salary

b) Income from House property

**Unit III: Heads of Income and Provisions governing Heads of Income**

a) Profits and Gains of Business and Profession Special emphasis on sec. 32, 32AC, 32AD, 35, 35D, 36(i)(ib), (ii), (iii), (iv), (vii), 37, 37(2B), 40A(2), 40A(3), 43B, (Excluding presumptive taxation)

b) Capital Gains

Meaning and types of capital assets, basic concept of transfer, cost of acquisition, cost of improvement and indexation, computation of STCG and LTCG, exemptions u/s 54, 54B, 54EC and 54F, capital gain on transfer of bonus shares, right entitlement and right shares, taxability of STCG and LTCG.

c) Income from Other Sources: Basis of charge excluding deemed dividend

**Unit IV:**

a) Income of other Persons included in Assessee’s Total Income Remuneration of spouse, income from assets transferred to spouse and Son’s wife, income of minor.

b) Set off and Carry Forward of Losses

Mode of set off and carry forward, inter source and inter head set off, carry forward and set off of losses u/s 71B, 72, 73, 74, 74A.

c) Deductions from Gross Total Income

Basic concepts, deductions u/s 80C, 80CCC, 80CCD, 80CCE, 80D, 80DD, 80DDB, 80E, 80G, 80GG, 80GGC, 80TTA, 80U

d) Rebate u/s 87A

Computation of Total Income and Tax Payable

a) Rate of tax applicable to individual assessee

b) Computation of tax liability of an individual

c) Provision for Filing of Return Date of filing of return, relevant forms of return, different types of returns, return by whom to be signed, PAN, TAN

d) Assessment of Return Self assessment u/s140A, Summary assessment u/s 143(1), Scrutiny assessment u/s 143(3) and Best judgement assessment u/s 144.

e) Advance Tax Who is liable to pay, due dates and computation of advance tax (excluding corporate assessees)

f) Interest & Fees Section 234A, 234B, 234C, 234F

g) TDS Provisions regarding TDS from salary, interest on securities, horse racing, lottery.

**Text Books Recommended**

1. Gour and Narang, Income tax: Law and practice, kalyani Publishers

2. Dr. Vinod Kumar Singhania, e-filing of Income Tax Returns and Computation ofTax,

3. Taxmann Publication Pvt. Ltd, New Delhi. Latest version.

**Suggested readings:**

1. Income tax Law and practice, Makta Jain/ Rakesh Jain, V.K. Global Pub. Pvt. Ltd., New Delhi

2. Income Tax Law and Pratcice-Saha, Dash- Himalaya Publishing House.

3. Pagare, Dinkar. Law and Practice of Income Tax. Sultan Chand and Sons, New Delhi.

4. Lal, B.B. Income Tax Law and Practice. Konark Publications, New Delhi.

**(Core-11)**

**COMPUTERIZED ACCOUNTING & E-FILING OF TAX RETURNS**

**Unit – I: Computerized Accounting Package: Using Generic Software**

a. Company creation, ledger creation, order processing, accounting voucher, inventory voucher, memorandum voucher, invoicing, multiple godown handling, Transfer of materials across go downs, Bank Reconciliation

b. Cost Centre, Cost Category, Bill of Material (BoM), Budget and Controls

c. Payroll Accounting

d. TDS, GST

.e. Back up & Restore, Export and Import data

**Unit II: Designing Computerized Accounting System**

(a) Introduction to DBMS Package – Table, Query, Form and Report

(b) Designing Computerized Accounting System using DBMS Package

Creating a voucher entry Form, Preparing ledgers, trial balance, profit & loss a/c, and Balance Sheet with Form wizard and Report

(c) Designing Payroll System for Accounting using Form, Query, and Report

**Unit-III: E-filing of Tax return**

(a) Preparation and submission online form 10E [Relief u/s 89(1)] (a) Preparation and submission of the Income Tax Return (ITR) offline/online for individual

Taxpayer [e-filing without using DSC and with using DSC, EVC]

(b) View form 26AS, Upload return, View e-file returns, e-verification

(c) Use of e-tax calculator (including interest calculation u/s 234A, 234B, 234C)

(d) E-Pay tax (Challan No./ITNS 280, ITNS 281)

(e) Preparation and submission online form 10E[Relief u/s 89(1)]

Text Books Recommended

1. Software: Singhania, V.K., E-Filing of Income Tax Returns and Computations of Tax, Taxmann

2. Book of Computerized Accoounting and E Filling of Tax Returns-Mohanty R, Dash ALN- Cost Accounting-Jena B,Bal S and Das A- Himalaya Publishing House

Suggested Readings

1. Software: “Excel Utility”, incometaxindiaefiling.gov.in

Practical Aspects:

➢ Creation of company and ledger accounts, voucher entries, payroll accounting, & data management in accounting software packages including TDS and GST

➢ Use of DBMS Package for various accounting database, designing of Payroll and report generation

➢ Preparation and submission of online Income Tax Returns, E-payment of tax, E- verification of returns, and viewing of 26AS.