

(Open Elective Paper)
Fundamentals of Income Tax
Paper Code: 16COMO1

Credits: 3:0:0
Theory Marks: 80
Time Allowed: 3 Hours
Internal Assessment Marks: 20

Course Outcome:-

- CO1: Student will learn the keywords of Income Tax Act and exempted incomes.
CO2: Student will gain with the provisions regarding determination of salary income and house property income.
CO3: Student will become familiar with the provisions of income tax regarding assessment of business income and capital gains.
CO4: Students will know about the circumstances under which income of others will be clubbed in the income of assessee.
CO5: Students will aware about the treatment of losses as per income tax law.

Note: The examiner shall set nine questions in all covering the whole syllabus. Question No.1 will be compulsory covering all the units and shall carry 8 small questions of equal marks. The rest of the eight questions will be set from all the four units. The examiner will set two questions from each unit out of which the candidate shall attempt four questions selecting one question from each unit. All questions shall carry equal marks.

Unit-I

Introduction: Meaning of tax, scope, objectives, importance, Important terms-assessee, person, previous year, assessment year, income, gross total income, total/taxable income, casual income, agriculture income, company, tax evasion, tax avoidance, tax planning, tax management.

Unit-II

Determination of residential status and incidence of tax with reference to residential status of an individual; exempted incomes of an individual

Unit-III

Income from various heads (basic introduction only), clubbing of incomes, set off and carry forward of losses, Computation of gross total income and taxable income.

Unit-IV

Computation of tax liability of an individual; filling and filing of Income Tax Returns (ITR-I & II only).

- Note: 1. The objective of this paper is to make the students familiar with the mechanism of Income Tax Law
2. The examiner is not required to ask the students to calculate income from various heads of an individual. The examiner is also required to give computed incomes from different heads in the question paper.
3. The actual amount of allowed deductions with section must be given clearly in the question.

Suggested Readings:

1. Direct Taxes law & Practice – Dr. H.C.Mehrotra & Dr. S.P. Goyal, Sahitya Bhawan Publications, Agra.
2. Direct Taxes & Practice – Dr. V.K. Singhania Taxmann Publication.
3. Direct Taxes law & Practice – Dr. Bhagwati Prasad – Wishwa Prakashan, N.Delhi.
4. Simplified Approach to income Tax: Dr. Girish ahuja & Dr. Ravi Gupta – Sahitya Bhawan Publishes & Distributors, Agra.