DIRECT TAXATION

Semester	III	CIE Marks	: 40
Course Code	18MBAFM303	SEE Marks	: 60
Teaching Hours / week (L:T:P)	3-0-2	Exam Hours	: 03
	Credits : 04		

Course Objectives:

1. To provide the students with a comprehensive understanding of basic concepts of Income tax
2. To understand the computation of taxable Income under different heads.
3. To know the deductions available while computing Income.
4. To understand corporate taxation system in India

Unit 1:

Income Tax Act, 1961, Basic Concepts and definitions, Capital and revenue – receipts, expenditures, Basis of charge and scope of total income, Residential Status and Incidence of Tax, Incomes which do not form part of Total Income (Sec.10), Tax Planning, Tax Evasion and Tax Management. (Problems on residential Status of Individual assesscee).

Unit 2:

Income from Salaries: Introduction, Meaning of Salary, Allowances, Valuation & Taxability of Perquisites, Death cum Retirement benefits, Deductions against Salary. Income from House Property (Theory Only). (Problems on salary Income).

Unit 3:

Income under the head Profit and Gains of Business or Professions and its computation- basic method of accounting- scheme of business deductions/ allowance- deemed profits- maintenance of books, Depreciation. (Problems on computation of income from business/ profession of Individual assessee and Depreciation).

Unit 4:

Income under capital gain, basis of charge, transfer of capital asset, inclusion & exclusion from capital asset, capital gain, computation of capital gain, deductions from capital gains. Income from Other Sources (Theory Only). (Problems on computation of Income from capital gain).

Unit 5:

Permissible deductions under section 80C to 80U, computation of tax liability of Individuals. Set off and carry forward of losses (Theory only). (Problems on Computation of taxable Income and tax liability of Individuals).

Unit 6:

Computation of taxable income of a company with special reference to MAT. (Problems on MAT).

Question Paper: 30% Theory 70% problems.

PRACTICAL COMPONENT:

- Calculation of Taxable income and tax liability using Excel.
- Encouraging the students to register as tax return preparers.
- Students can be exposed to filing of tax returns of Individual assesses.

COURSE OUTCOME:

At the end of the course, the students are able to:

1. Understand the basics of taxation and process of computing residential status.
2. Calculate taxable income under different heads.
3. Understand deductions and calculation of tax liability of Individuals.
4. Know the corporate tax system.

RECOMMENDED BOOKS:

- Direct Taxes Law and practice, Vinod Singhania and Kapil Singhania, Taxman Publications.
- Students Guide to Income Tax Vinod Singhania and Kapil Singhania, – Taxman Publications.

REFERENCE BOOKS:

- T N Manoharan- Students Guide to Income Tax – Snow White
- Direct Tax – Lal & Vashisht – Pearson.

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2				X	
CO3	X				
CO4	X				

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