Course Code	CM010302
Title of the Course	INCOME TAX - LAW AND PRACTICE
Semester	Three
Type	Core
Credits	5
Hours	7 per week and Total 126

Objectives of the Course:

To impart basic knowledge about income tax rules and equip the students to compute total income of an individual.

Course Outcome No	Expected Course Outcome	Cognitive Level	Programme Specific Outcome Linkage
1	Acquire knowledge regarding the basic concepts of Income Tax.	Remember	PSC
2	Able to compute the income from salary and house property.	Understand, Apply	PS
3	Determine taxable profit of a business or profession.	Understand, Apply	PSO4, 6
4	Able to compute capital gain and income from other sources.	Understand, Apply	PSO4, 6
5	Able to calculate Gross Total Income of an individual.	Understand, Apply	PSO4, 6
6	Learner shall be able to determine eligible deductions and compute Taxable Income and tax liability of an individual.	Understand, Apply and Evaluate	PSO4, 6

Unit wise arrangement of the Course

Module	Sl. No. of Units	Contents of the Unit	Remarks
		Module 1: Introduction- 12 hours	
1	1.1	Brief History of Income tax in India - Basic Concepts- Finance Act- Definitions -Rates of Income Tax.	Theory
	1.2	Accelerated Assessment. Agricultural Income- Partly Agricultural Income.	Theory
	1.3	Capital and Revenue.	Theory
	1.4.	Residential Status of different assessees-	Theory and Problems

		Incidence of tax- Exempted Income.	
		Module 2: Salary & Income from House Property- 28 hours	
	2.1.	Salary - Chargeability –Definition- Allowances	Theory and Problems

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		Module 2: Salary & Income from House Property- 28 hours		
2	2.1.	Salary - Chargeability -Definition- Allowances.	Theory a Problem:
	2.2	Perquisites – valuation of perquisites- Profit in lieu of salary.	Theory a Problem:
	2.3	Deductions from salary- treatment of Provident funds.	Theory a Problem:

	2.4	Computation of Taxable Salary.	Theory and Problems
	2.5	Income from House Property- Basis of Charge- Deemed ownership –Exemptions.	Theory
	2.6	Annual value determination in various cases- Deductions –Treatment of Unrealised rent, recovery of unrealized rent and arrears of rent.	Theory and Problems
	2.7	Computation of Income from House Property.	Theory and Problems

Module 3: Profit and Gains of Business or Profession- 26 hours

	3.1	Chargeability-Rules for assessment of business income – Deductions expressly allowed – Other deductions under section 36 and37.	Theory and Problem
3	3.2	Expenses expressly disallowed – Expenses not deductible in certain circumstances – Expenses allowable only on actual payment –Provisions regarding maintenance of accounts and audit.	Theory and Problems
	3.3	Depreciation – Block of assets – Computation of allowable depreciation and book value of the block ofassets	Theory and Problems
	3.4	Computation of profits and gains from business or profession	Theory and Problems

Module 4: Capital gains & Income from other sources- 25 hours

	4.1	Basis of charge- Capital Assets - Short-term and Long- term capital gains.	Theory and Problems
	4.2	Transfer of capital assets- Cost of Acquisition – Indexation of cost of acquisition. Capital Gains exempt from tax.	Theory and Problems
4	4.3	Capital Gains exempt from tax- Computation of taxable capital gain and tax liability on capital gain.	Theory and Problems
	4.4	Income from other sources General chargeability -Specific Chargeability, Kinds of securities & Grossing up of interest- Bond washing transaction - Deductions allowed - Deduction not permitted.	Theory and Problems
	4.5	Computation of income under the head Income from Other Sources.	Theory and Problems

Module 5: Computation of Gross Total Income – 15 hours

	5.1	Aggregation and Clubbing of income of other persons - Computation of deemed income.	Theory and Problems
5	5.2	Set off and carry forward of losses- Intra-	Theory and

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5	5.2	Set off and carry forward of losses- Intra-head and Inter-head set off-Order of set off -Rules regarding carry forward.	Theory and Problems
	5.3	Computation of Gross Total Income.	Theory and Problems

Module 6: Computation of Total Income and Tax Liability of Individuals – 20 hours

6	6.1	Deductions Under Chapter VI A.	Theory an