Income Tax Law and Practice

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Income Tax Law and Practice	**4**	**3**	**1**	**0**	**Pass in Class XII**	**NIL**

Learning Objectives

This paper aims to provide comprehensive knowledge of various heads of income and focuses on the computation of the total income and tax liability of an individual as per the Income Tax Act 2025.

Learning outcomes

After completion of the course, learners will be able to:

1. Explain the basic concepts, residential status of the assessee and incidence of tax.
2. Develop an understanding of the nuances of the salaries, various allowances and perquisites available under the head income from Salaries.
3. Develop an understanding of the concept of self-occupied and let out property under the head income from house property.
4. Compute the income under the head profits and gains of business or profession and capital gains.
5. Compute incomes covered under the head income from other sources.
6. Explore the concept of including the income of other persons in the assessee's income.
7. Compute the total tax liability of an individual after allowing for permissible deductions and exemptions.

Course Contents:

Unit 1: Basic concepts and Residential Status (9 hours)

Basic concepts: person, assessee, income, tax year and PAN; structure to compute tax liability; residential status and tax incidence.

Unit 2:(A) Income under the head Salaries and House Property (14 hours)

Computation of income under the head salaries including various allowances and perquisites, computation of income of self-occupied and let out property; unrealised rent.

(B) Income under the head Profits and Gains of Business or Profession (8 hours)

Computation of income from business or profession, expenses specified and disallowed while computing such incomes.

Unit 3: Income under the head of Capital Gains and Other Sources (6 hours)
Meaning of capital assets, long term and short term capital gains; computation of capital gains. Computation of taxable income from other sources.

Unit 4: Computation of Total Income and Tax Liability of an Individual (8 hours)
Clubbing of income; set off and carry forward of losses, permissible deductions under sections 123 to 154; computation of taxable income and tax liability of an individual.

Exercises
The learners are required to:
1. Identify and educate the individuals not having PAN Card and help them understand the crucial relevance of holding a PAN Card. Help them in filling out the online application for the PAN Card and prepare the summarised report for the same.
2. Identify the relevance of various allowances and deductions in the present context and give a presentation for the same.
3. Identify and evaluate the tax liability of some individuals having income under different heads of income and present a case of the deductions and exemptions availed by each assessee.
4. Go through the e-filing website of the Government of India.

Suggested Readings
- Ahuja, G., & Gupta, R. *Simplified Approach to Income Tax.* Flair Publications Pvt. Ltd., Delhi.
- Mittal, N. *Concept Building Approach to Income Tax Law & Practice*. Cengage Learning India Pvt. Ltd., Delhi.
- Singhania, V. K., & Singhania, M. *Student's Guide to Income Tax*. Taxmann Publications Pvt. Ltd., Delhi.

Latest edition of books is to be followed.

Additional Resources
- Income tax Act 2025
- www.incometaxindia.gov.in

Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.

Practical Exercises:
The learners are required to:
1. Prepare a case study for a person resident but not ordinarily resident in India having income under the head other sources of income.
2. Prepare a presentation indicating the impact of alternative tax regime structure on the tax liability of an assessee.
3. Present a hypothetical case wherein the impact of change in the capital gains taxes are reflected as per the relevant Financial Act.
4. Learn about various tax services available on the official website of Government of India.
5. Prepare a list of tax deductions available in case of a senior citizen.
6. Explore and attempt on-line filing of Returns of Income & TDS on Income tax e-filing website under ITR-1 and ITR-2.

Suggested Readings:

- Ahuja, G., & Gupta, R. (2022). Simplified Approach to Income Tax. Delhi, India: Flair Publications Pvt. Ltd.
- Bandypoadhyay, S. B., & Das, C. (2019). TAXATION II (1st ed., Vol. II). Delhi, India: Oxford University Press.
- Mittal, N. (2019). Concept Building Approach to Income Tax Law and Practice (1st ed.,Vol. 1). Delhi, India: Cengage Learning India Pvt.
- Singhania, V. K., & Singhania, M. (2021). Students' Guide to Income Tax | University Edition. Delhi, India: Taxmann Publications Private Limited.

Additional Readings:

- Current Tax Reporter. Jodhpur, India: Current Tax Reporter.
- Income Tax Reports. Chennai, India: Company Law Institute of India Pvt. Ltd.

Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.