DSE (Stream)- Tax Procedures and Practices

Fundamentals of Corporate Tax Planning

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

Learning Objectives
This paper aims to provide basic knowledge of corporate tax in India and its effectiveness in tax planning.

Learning outcomes
After completion of the course, learners will be able to:
1. Recognise the concept of tax planning, tax management and tax avoidance.
2. Interpret the application of minimum alternate tax.
3. Explore the benefits and incentives available to companies to start a new business.
4. Recognise the implications of tax provisions for a company with respect to capital structure decisions.
5. Identify the need for tax planning with respect to specific management decisions.

Course Contents:
Unit 1: Tax Planning Concepts and Types of Companies (10 hours)
Tax planning, tax management, tax evasion and tax avoidance; types of companies; residential status of companies and tax incidence.

Unit 2: Assessment of Companies (10 hours)
Carry forward and set off of losses in case of certain companies; deductions available to corporate assesses, Computation of total income and tax liability of companies and minimum alternate tax.

Unit 3: Tax Planning with reference to setting up of a new business (10hours)
Location of business; nature of business and form of ownership: firm/LLP vs company.

Unit 4: Tax Planning with reference to financial and specific management decision (15 hours)
Tax planning with reference to capital structures and bonus shares; Tax planning with reference to purchase vs. lease of an asset and make vs. buy.

Practical Exercises

The learners are required to:

1. Discuss case studies on tax evasion and tax avoidance.
2. Prepare a report for a hypothetical company which is non-resident in India and represent the incidence of tax for the case.
3. Discuss provisions on minimum alternate tax as per the recent budget.
4. Specify the benefits available to a start-up company opting for operations in Northeast India.
5. Develop a tax saving plan for a newly incorporated company for raising capital.
6. Prepare a case study indicating the impact of managerial decisions on the tax liability of the company.
7. Compare the choice of a company to purchase a plant or to lease the same from a tax savings point of view.

Suggested Readings

- Ahuja, G., & Gupta, R. *Simplified Approach to Corporate Tax Planning & Management*. Delhi, India: Wolters Kluwer India Pvt. Ltd.
- Singhania, V.K., & Singhania, M. *Corporate Tax Planning & Business Tax Procedures*. Delhi, India: Taxmann Publications.

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 Department's website.