

Discipline Specific Elective Course- 7.9(DSE-7.9): Personal Tax Planning and Tax Management

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Personal Tax Planning and Tax Management DSE-7.9	4	3	1	0	Pass in Class XII	NIL

Personal Tax Planning and Tax Management

BC: DSE- 7.9

Learning Objectives:

The course aims to provide basic knowledge of Income Tax Laws and its planning to students in easily comprehensible manner with a view to equip them to use the legitimate tool of planning in their economic life.

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

1. Recognise the concept of tax planning, use the residential status to plan the scope of income and e-filing of ITR-1.
2. Apply critical thinking to minimize tax liability of individuals with respect to salary income and understand how to develop the efficient pay packages;
3. Devise tax planning strategies in relation to income from house property;
4. Devise tax planning strategies in relation to income from transfer of capital assets viz., immovable property and shares; and
5. Recognize the deductions available for the purpose of reducing tax liability.

Course Contents:

I. TAX PLANNING

Unit 1: Basic Concepts (14 hours)

Meaning, Need of Tax Planning- Principles and objectives of Tax Planning, Obligations of parties to Tax Planning, Tax Avoidance and Tax Evasion- Legal thinking on Tax Planning, Tax Planning-Scope of Tax Planning.

Tax planning through exempted income for residents/ non-residents, Tax planning through permissible deductions for residents/non-residents, Tax planning with reference to clubbing provisions

Unit 2: Tax Planning under different heads of Income (11 hours)

Tax planning measures relating to income from salary, Income from House Property, profits and gains of business or profession, capital gains and income from other sources

Unit 3: Tax Planning through investments (11 hours)

Tax planning through various tax saving investment avenues available for individuals and HUF like Mutual funds unit linked insurance plans, Bonds, Equity linked savings schemes, Post office savings schemes and others. Tax deductions under Income-Tax Act

Unit 4: Tax Management (9 hours)

(A): Deduction, collection and recovery of tax

Advance tax, tax deduction at source, tax collection at source, refund.

(B): Assessment Procedures, Income-tax Authorities and Appeal and Revision

Income-tax authorities, filing return of income, self-assessment, summary assessment, scrutiny assessment, best judgement assessment, time limit for completion of assessments and appeals and revisions.

Exercises:

The learners are required to:

1. Discuss relevant provisions of the Income-tax Act, 1961 from the official website of Government of India.
2. Refer the Finance Act to know about the amendments done in various provisions of the Income-tax Act, 1961.
3. Refer relevant notifications and circulars from the official website of Government of India.
4. Do hands on training to furnish ITR-1 on the official e-filing website of the Government of India i.e., www.incometax.gov.in.
5. Go through various information relevant for an individual assessee available on the official e-filing website of the Government of India.

Suggested Readings:

- Ahuja, Girish and Gupta, Ravi. *Systematic Approach to Income Tax*. Flair Publications Pvt. Ltd., Delhi.
- Mittal, Naveen. *Concept Building Approach to Income Tax Law & Practice*. Cengage Learning India Pvt. Ltd., Delhi.
- Singhania, Vinod K. and Singhania, Monica. *Students' Guide to Income Tax, University Edition*. Taxmann Publications Pvt. Ltd., New Delhi.

Additional Resources

- *Current Tax Reporter*. Current Tax Reporter, Jodhpur.
- *Income Tax Reports*. Company Law Institute of India Pvt. Ltd., Chennai.
- Jain, R.K., *Ayakar Vidhan avam Likhankan*, Rajeev Bansal Publications, 2017.
- Mehrotra, H.C. and Goyal, S.P., *Ayakar Vidhan avam Likhankan (Income Tax Law and Accounts)*, Sahitya Bhawan, Agra, 2016.
- Mehrotra, H.C. and Goyal, S.P., *Direct Tax including Tax Planning & Management*. Sahitya Bhawan, Agra, 2017.

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