

JYOTI NIVAS COLLEGE AUTONOMOUS

**Programme: B.Com/TM/LSCM/INTEGRATED B.Com -
M.Com/BBA/B.VOC(BF)**

Semester : V

Income Tax – I

No. of Credits: 4

No. of Hours: 60

Course Objectives:

- To expose students to various provisions of the Income Tax Act relating to computation of income of individual assessee only.
- To equip students with the knowledge of identifying different heads of income of an individual.
- To enable them to assess the income of an individual by taking benefit of the exemptions that are available.

Learning Outcomes:

- Understand the basic concepts of Income Tax as per Income Tax Act 1961.
- Understand the provisions for determining the residential status of an Individual.
- Comprehend the meaning of Salary, Perquisites, allowances and Profit in lieu of salary, and various retirement benefits.
- Compute the income from house property for different categories of house property.
- Comprehend the assessment procedure and to know the power of income tax authorities.

Unit-1: Basic Concepts of Income Tax

8 Hours

Introduction – Meaning of tax- types of taxes and canons of taxation- Important definitions- assessment year, previous year including exceptions, assesses, person, income, casual income, Gross total income, Total income, Agricultural income, Tax Rates (default regime and alternative regime). Exempted incomes of individuals under section 10. Structure of Income Tax department.

Unit- 2 Income Tax Authorities

4 Hours

Permanent Account Number -Meaning, Procedure for obtaining PAN and

transactions where quoting of PAN is compulsory. Income Tax Authorities - their Powers and functions. CBDT, CIT and AO, features of Income Tax Act 2025

Unit-3: Residential Status and Incidence of Tax **12**
Hours

Introduction – Residential status of an individual. Determination of residential status of an individual. Incidence of tax or Scope of Total income. Problems on computation of Gross total Income of an individual (excluding deductions U/S 80).

Unit- 4: Income from Salary **22**
Hours

Introduction - Meaning of Salary - Basis of charge – Definitions – Salary, allowances, Perquisites and profits in lieu of salary - Provident Fund - Retirement Benefits – Gratuity, pension and Leave salary. Deductions U/S 16 and Problems on Computation of Taxable Salary.

Unit- 5: Income from House Property **14**
Hours

Introduction - Basis of charge - Deemed owners -House property incomes exempt from tax, Vacancy allowance and unrealized rent. Annual Value – Determination of Annual Value - Deductions U/S 24 from Net Annual Value - Problems on Computation of Income from House Property.

Skill Development Activities:

- Analyse the residential status of five individuals.
- Understand the procedure to file an ITR.
- Analyse the importance of exempted income in income tax calculation.
- Analyse the income tax payable for a salaried employee.
- Analyse the income tax payable on the income from house property of an assessee owning two houses.

Books for References:

- Mehrotra H.C and T.S.Goyal, Direct taxes, Sahithya Bhavan Publication, Agra.
- Vinod K. Singhania, Direct Taxes, Taxman Publication Private Ltd, New Delhi.
- Gaur and Narang, Law and practice of Income Tax, Kalyani Publications, Ludhiana.
- Bhagawathi Prasad, Direct Taxes.

Note: Latest edition of text books may be used.