

POST GRADUATE DIPLOMA IN INCOME TAX - LAW & PRACTICES

(Course Code- PGDITP)

Minimum Requirements: A student must be graduate from any stream (Arts, Science and Commerce).

Qualification: A student shall be awarded “**Post Graduate Diploma in Income Tax – Law & Practices**” on qualifying at the examination.

Objective of the Course:

This course aims at:

- *Providing higher knowledge and skill to the students of Income Tax law and practice.*
- *Developing capability in the students of handling the income tax related work in a business organization.*
- *With this qualification, knowledge and skills development the student can seek employment or set up his own consultancy firm in the field of income tax.*

Attendance:

As per the norms of the University of Kota, Kota.

Teaching Methodologies:

The classroom teaching would be through conventional lectures or power point presentations (PPT). The lecture would be such that the student should participate actively in the discussion. Student seminars would be conducted and scientific discussions would be arranged to improve their communicative skills. In the laboratory, instructions would be given for the experiments followed by demonstration and finally the students have to do the experiments individually.

Scheme of Examinations:

The examination shall be divided into two parts in which first part is continuous assessment or internal assessment and second part is semester assessment or external assessment. The schemes for the internal and external examinations shall be as under:

- a) The assessment of the student for theory paper shall be divided into two parts in which first part is

continuous assessment or internal assessment (30% of maximum marks) and second part is semester assessment or external assessment (70% of maximum marks). For practical papers there will be only one external assessment (100% of maximum marks).

- b) The internal assessment for each theory paper shall be taken by the teacher concerned in the Department during each semester. ***One internal assessment test shall be of 20 Marks Maximum which is written based examination of one hour duration and 10 Marks on the basis of the candidate’s participation in departmental activities (i.e. seminars, workshops, fun - learning activities etc.) and PPT presentation or assignment on any topic of each paper given by teacher concerned.***

Continuous Assessment Weightage				External Assessment	Total marks (Total Credits)
Mid term	Seminar Project report/ presentation		Total	Paper Based External Evaluation (End term examination)	
20	10		30	70	100 (04)

- c) A student who remains absent (defaulter) or fails or wants to improve the marks in the internal assessment may be permitted to appear in the desired paper(s) (only one time) in the same semester with the permission of the concerned Head of the Department. A defaulter / improvement fee of Rupees 250/- per paper shall be charged from such candidates. Duly forwarded application of such candidates by the teacher concerned shall be submitted to HOD who may permit the candidate to appear in the internal assessment after depositing the defaulter/ improvement fee. A record of such candidates shall be kept in the Department.
- d) The external assessment shall be of three hours duration for each theory paper. The practical examination shall be taken by the panel of at least one external and one internal examiner at the end of each semester.
- e) ***‘Student should qualify both internal & external assessment separately to pass the paper i.e. if candidate passes in external & fails in internal, the candidate has to reappear in internal & external exam of that paper. But if candidate passes in the internal & fails in the external, the candidate has to reappear in external exam of that paper and in internal examination he/she has option either to forward the obtained internal marks of that paper in the previous attempt (on the basis of the application submitted by the candidate and approval of Head of Department for the same) or can reappear in the internal examination if he wants to improve his/her marks in that paper.’***
- f) The syllabus for each theory paper is divided into five independent units and each theory question paper will be divided into two sections as mentioned below:

- Section A shall have 01 Compulsory question comprising 10 questions (maximum 20 words answer), two questions from each unit. Each question shall be of two marks and total marks of this question will be 20 marks.
- Section B shall have 2 questions from each unit. Students have to attempt one question from each unit. Each question shall be of 10 marks. Total marks of this section will be 50 marks.

Rules regarding determination of results / As per University Norms:

Each semester shall be regarded as a unit for working out the result of the candidates. The result of each semester examination shall be worked out separately (even if he/she has appeared at the paper of the lower semester along with the papers of higher semester) in accordance with the following conditions:

- a) The candidate shall be declared as pass in a semester examination, if he/she secures at least 40% marks in each theory paper separately in external & internal examination and 50% marks in each practical paper and at least 50% marks in project/dissertation with 50% aggregate marks in that semester.
- b) A candidate declared as fail/absent in one or more papers at any odd semester examination shall be permitted to take admission in the next higher semester (even semester) of the same academic session.
- c) If a candidate, who is declared as pass, wishes to improve his/her performance in the theory papers of previous semester, he/she may re-appear only one time in these papers in next odd/even semester examinations.
- d) Candidate shall not be permitted to re-appear or improve the marks obtained in the external examination of practical / dissertation in any condition.
- e) The grace marks scheme shall be applicable as per university norms.

Exam Scheme for Paper Income Tax III and IV (Semester I) and Income Tax VII (Semester II)

1. No Internal test will be conducted.
2. 10 Assignments/Presentation will be given during the semester.
3. Practical classes and practical examination will be conducted by Panel of at least one external examiner (appointed by the University) and one internal examiner at the end of the semester.
4. Internship examination conducted by panel of internal and external examiner will be evaluated on the basis of report (140 marks) and viva-voce (60 marks).

SEMESTER I

Paper	Subjects	Paper Type	No. of Credits	External Marks	Internal Marks	Maximum Total Marks
1	Income Tax I	Theory	4	70	30	100
2	Income Tax II	Theory	4	70	30	100
3.	Income Tax III**	Practical	8	200	-	200*
4.	Income Tax IV**	Practical	8	200	-	200*
Total			24			600

** Practical's of this paper shall be taught using Government official website.

Exam Scheme for Paper Income Tax III and IV

1. No Internal test will be conducted.
2. 10 Assignments/Presentation will be given during the semester.
3. Practical classes and practical examination will be conducted by Panel of at least one external examiner (appointed by the University) and one internal examiner at the end of the semester.

PAPER 1- INCOME TAX I – LAW AND PRACTICE

Course Contents:

Unit I: Important definitions in the Income-tax Act, 1961; Basis of charge; Rates of taxes applicable for different types of assesses; Concepts of previous year and assessment year; Residential status and scope of total income

Unit II: Income deemed to be received /deemed to accrue or arise in India; Incomes which do not form part of total income (other than charitable trusts and institutions, political parties and electoral trusts); Income, Gross Total Income and Tax liability and Agricultural Income. Residential status and Incidence of tax

Unit III: Heads of income and the provisions governing computation of income under different heads; Income of other persons included in assesses total income; Aggregation of income; Set-off and Carry forward of losses; Exercises

Unit IV: Exempted Income (Sec. 10), Income from Salaries (Sec. 15 to Sec. 17 and relevant Sections): Basic charge, Tax treatment of different forms of salary, allowances, perquisites, valuation of perquisites, Profits in lieu of Salary, Income from House Property (Sec. 22 to Sec. 27)

Unit V: Profits and Gains of Business or Profession (Sec. 28 to Sec. 44), Capital Gains (Sec. 45 to Sec. 54) & Income from Other Sources (Sec. 55 to Sec. 57)

PAPER 2- INCOME TAX II- LAW AND PRACTICE

Course Contents:

Unit I: Deductions from Gross Total Income (80C to 80U), Set off and Carry forward of losses, Clubbing of Income and Deemed Income; Exercises.

Unit II: Provisions concerning deductions allowed, Assessment of Individuals and HUF and tax deducted at source

Unit III: Provisions regarding filing of return of income, Payment of Tax, Refunds, Revisions, etc: Exercises.

Unit IV: Conditions of assessment as firm, computation of book profit, Deductions from gross total income

Unit V: Minimum alternate tax provisions, computation of incomes of partners, assessment of limited liability partnership; Exercises.

PAPER 3- INCOME TAX III- COMPUTATION OF TOTAL INCOME AND TAX LIABILITY OF TRUSTS, MUTUAL FUNDS, AOP and NON-RESIDENTS (PRACTICAL)

Course Contents:

Unit I: Computation of Total Income and Tax Liability of Trusts: Meaning, Types, exemption under section 11 to 13, return of income of charitable trusts, Taxability of the income of the trust.

Unit II: Computation of Total Income and Tax Liability of Mutual Funds: Computation of total Income, Computation of tax liability, Short term and long-term Capital gain and Tax liability on sale and redemption of units of Mutual funds.

Unit III: Computation of Total Income and Tax Liability of AOP: Computation of total Income, Computation of tax liability, rebate under section 86, computation of income of members, Assessment of Cooperative Societies.

Unit IV: Assessment of Non-Residents: Meaning; Income liable to tax, Income exempted from Tax, Assessment procedure.

Unit V: Income Tax Law - Special provisions: Special provisions relating to tax on distributed profits of domestic companies and mutual Funds (sec. 115-O to 115Q) and (115R to 115T). Tax on Income received from venture capital companies and venture capital funds (Sec 115 U), Taxation of E Commerce enterprises.

PAPER 4- INCOME TAX IV (PRACTICAL)

Course Contents:

Unit I: Information required for filling income tax return, Registration procedures for different assesseees, PAN No. (49A) and documentation, TAN (49B), Introduction to return filling, Preparation of computation of total income and tax payable. Preparation of filling of income tax return of Individual.

Unit II: Filing of Return of Individual and HUF related to income from salary, income from house property (ITR 1 and ITR 2).

Unit III: Filing of return of business entities (individuals), Assessee covered under 44AD (ITR 4S), 44ADA and 44AE, Audit report form 3CB, 3CD, Tax Return (ITR-4). Capital gains and Other sources.

Unit IV: Filing of returns of firms and partners, charitable trusts and societies (ITR 3 and 5).

Unit V: Filing of returns of companies (ITR 6).

SEMESTER II

Paper	Subjects	Paper Type	No. of Credits	External Marks	Internal Marks	Maximum Total Marks
5	Income Tax V	Theory	4	70	30	100
6	Income Tax VI	Theory	4	70	30	100
7	Income Tax VII**	Practical	8	200	-	200*
8	Internship	Practical	8	200		200*
	CHO		2		50	50
Total			26			650

** Practical's of this paper shall be taught using Government official website.

Exam Scheme for Paper Income Tax VII

1. No Internal test will be conducted.
2. 10 Assignments/Presentation will be given during the semester.
3. Practical classes and practical examination will be conducted by Panel of at least one external examiner (appointed by the University) and one internal examiner at the end of the semester.
4. Internship examination conducted by panel of internal and external examiner will be evaluated on the basis of report (140 marks) and viva-voce (60 marks).

PAPER 5- INCOME TAX V - ASSESSMENT OF COMPANIES

Course Contents:

Unit I: Assessment of Companies I: Assessment of Companies: Definitions of different types of companies Carry forward and Set-off of losses in the cases of certain companies (Sec 79), Deduction from GTI (Sec. 80 G to 80JJAA)

Unit II: Assessment of Companies II: Computation of taxable income and tax liability, Minimum Alternative Tax (Sec 115 JB). Deduction of Tax at source, Advance Payment of Tax, Returns of income and filing, Refund of excess payment, Interest payable by Assesses PANno. (49A) and documentation, TAN (49B).

Unit III: Deduction of Tax at source, Advance Payment of Tax, Returns of income and filing, Refund of excess payment, Interest payable by Assesses PANno. (49A) and documentation, TAN (49B).

Unit IV: Administrative Procedures under Direct Taxation Laws: CBDT & Other Authorities, Survey, Search and Seizure, Demand, Recovery, Assessment, appeal, revision, and settlement

Unit V: Ecommerce Transaction and liability in special cases, Penalties, Fines and prosecution, Income Computation and Disclosure Standards; Assessment of income liable to tax.

PAPER 6- INCOME TAX VI- ASSESSMENT OF COMPANIES AND SPECIAL ISSUES, DOCUMENTATION

Course Contents:

Unit I: Grievances Redressal Procedure: Determination of tax liability, Payment of tax. Refunds, Appeals and final settlement of tax liability. Payment of interest by and to an assessee; Refund of excess tax paid by the assessee. Penalty and Prosecutions under the Act; Appeals and Revisions, Grievances Redressal Procedure, Rectification, Appeal and Appellate Hierarchy, Revision of assessment; Case studies and Exercises.

Unit II: Transaction and Liability in Special Cases: Penalties, Fines and prosecution, Income Computation and Disclosure Standards; Settlement of Cases - Liability under special cases, Settlement of cases (section 245A to 245 L), Advance Ruling; Case studies.

Unit III: Black Money Act, 2015: Introduction to Black Money Act, Important provisions, Highlights of Black Money Act and its enforcement; Case studies.

Unit IV: Double Taxation Avoidance Agreements (DTAA): Double Taxation Relief – Agreement with Foreign Countries or Specified Territories [Section 90], Adoption by Central Government of agreement between Specified Associations for Double Taxation Relief [Section 90A], Countries with which no Agreement Exists [Section 91], Tax Residency Certificate [TRC] [Section 90 & 90A]; Case studies. International Taxation & Transfer Pricing issues, Application of Generally Accepted Cost Accounting; Principles and Techniques for determination of Arm's Length Price, Advance Pricing Agreement (APA) – Concept and Application; Case studies.

Unit V: Case Studies/Exercises: The Department shall select 5 cases of Income Tax settled at the level of Appellate Tribunal and 5 cases of Income Tax settled at the level of High Court or the Supreme Court reported in the Tax Law Report. Candidate shall analyse and present the case analysis at the Seminar organised by the Department for this purpose.

PAPER 7: INCOME TAX VII (PRACTICAL)

Course Contents:

Unit I: Development of Income Tax Documents: Development of Income tax documents, Tax Accounts and Tax Records; Tax Deduction at Source; Filing of returns of Tax deduction at source; Advance payment of tax: Assessment of Advance payment liability; Exercises.

Unit II: TDS and e-Filing of TDS Returns - Introduction to the concept of TDS; provisions relating to advance payment of tax; Tax Deduction at Source, Tax Collection at Source schedule for deposit of TDS; Permanent Account No, and Tax Deduction and Collection

Accounts, Schedule for submission of TDS returns.

Unit III: Practical on e-filing of TDS returns [TDS return filing for salary employee (24Q) and Other than salary (26Q)], Advance Payment of Tax; Exercises.

Unit IV: Validation of TDS Return, Upload file and submission (16 and 16A).

Unit V: Filing of correction returns, Import of upload files, Correction and submit, Prescribed forms for filing of TDS returns; exemption from TDS – Form 13, 15G, 15H

PAPER 8 INTERNSHIP

After completion of the examination of 1st Semester, each student shall undergo internship of 4 weeks. The internship can be undertaken either at the office of a practicing firm of Chartered Accountant/Cost Accountant/ Company Secretary or a manufacturing company/ Banking Company/Insurance Company/Mutual fund/Financial Planners and Consultants/Cooperative Society/Partnership firm/Single Proprietorship firm/NGO Commercial/Non-Commercial, Government/Non-Government/Quasi-Government Department under a workplace supervisor. The internship shall carry 8 credits and the performance shall be evaluated out of 200 marks. The student shall maintain day to day record of work done by him during the internship with the firm. Based on that the student shall develop a written report on the work done and achievements made during the internship, get these certified by the authorised signatory of the firm and submit the report after completion of internship to the Head of the Department/Head of the Institution.

A viva-voce shall be conducted at the end of training by a board consisting of one external examiner from industry or professional firm or subject expert and an internal examiner from the Department/Institution. The internship shall be of 200 marks. The internship report shall be evaluated for 140 marks and the performance at the viva voce shall be evaluated out of 60 marks by the board of examiners, Marks secured shall be added to the Marks sheet of the 2nd Semester examination.

Exit Learning outcomes of course:

Upon the completion of this qualification, the student should be able to demonstrate

- *Knowledge and skill of the law and practice of Income Tax.*
- *Capacity to handle the Income Tax related work in a business organisation.*
- *With the knowledge, skill and ability so developed the candidate can seek employment in a business establishment or set up a consultancy in the field of Income Tax.*

Suggested Readings:

1. Manoharan, T. N. *Students Handbook on Income Tax Law*. Snow White Publications
2. Mehrotra, H. C. *Income Tax Law and Accounts including Tax Planning*. Sahitya Bhawan Publications.
3. Narang and Gaur. *Income Tax*. Himalaya Publishing House.
4. Prasad, B. *Direct Taxes - Law and Practices*. Wishwa Prakashana
5. Singhania, Vinod, K and Singhania, Kapil. *Direct Tax Planning and Management*. Taxman.
6. Singhania, Vinod, K. *Direct Taxes - Law and Practices*. Taxman.

7. Srinivas, E. A. *Corporate Tax Planning*. Tata McGraw Hill

8. Income tax Act 1961 (as amended till date).

Note: Latest edition of text books may be used.