



**PARVATHANENI BRAHMAYYA  
SIDDHARTHA COLLEGE OF ARTS & SCIENCE**  
*Autonomous*  
Siddhartha Nagar, Vijayawada-520010  
*Re-accredited at 'A+' by the NAAC*

<b>Course Code</b>				<b>23TXMIL231</b>			
<b>Title of the Course</b>				<b>INCOME TAX – I</b>			
<b>Offered to: (Programme/s)</b>				<b>B.Com Honours</b>			
<b>L</b>	<b>4</b>	<b>T</b>	<b>1</b>	<b>P</b>	<b>0</b>	<b>C</b>	<b>4</b>
<b>Year of Introduction:</b>		<b>2024-25</b>		<b>Semester:</b>		<b>3</b>	
<b>Course Category:</b>		<b>Minor-Taxation</b>		<b>Course Relates to:</b>			
<b>Year of Revision:</b>		<b>NA</b>		<b>Percentage:</b>		<b>Nil</b>	
<b>Type of the Course:</b>				<b>National</b>			
<b>Crosscutting Issues of the Course :</b>				<b>Professional Ethics</b>			
<b>Pre-requisites, if any</b>				<b>Elements of Income Tax</b>			

### Course Description:

An Income Tax course typically covers the principles and applications of income tax Law, focusing on how taxes effect on Individuals and Businesses ,and also study of relevant tax laws and Exploration of various deductions and tax credits available to taxpayers to reduce their tax liability.

### Course Aims and Objectives:

<b>S.N O</b>	<b>COURSE OBJECTIVES</b>
<b>1</b>	Assess short term and long term capital gains of an Individual assessee who is involved in Business and Profession.
<b>2</b>	Assess taxable income from other sources of an Individual assessee after taking into account deduction u/s 57 and amounts disallowed u/s 58.
<b>3</b>	Describe the mechanism of carry forward and set off of an Individual assessee.
<b>4</b>	Evaluate gross total income of an Individual assessee after taking into account deduction u/s 80.
<b>5</b>	The course aims <i>to enable students to learn income tax provisions and assessment procedures of Agricultural Income.</i>

### Course Outcomes

At the end of the course, the student will be able to...

<b>CO NO</b>	<b>COURSE OUTCOME</b>	<b>BTL</b>	<b>PO</b>	<b>PSO</b>
<b>CO1</b>	Comprehend the knowledge about Income from capital gain	<b>K2</b>	<b>2</b>	<b>2</b>
<b>CO2</b>	Import knowledge in the provisions of Income from other sources	<b>K2</b>	<b>2</b>	<b>2</b>
<b>CO3</b>	The student can acquaint how to set-off an carry forward the losses	<b>K3</b>	<b>2</b>	<b>2</b>
<b>CO4</b>	Will be able to compute the Total income	<b>K4</b>	<b>2</b>	<b>2</b>

CO5	The student will be able to understand the provisions of agricultural income	K4	2	2
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For BTL: K1: Remember; K2: Understand; K3: Apply; K4: Analyze; K5: Evaluate; K6: Create

CO-PO MATRIX									
CO NO	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PSO1	PSO2
CO1		2							2
CO2		3							3
CO3		3							3
CO4		3							3
CO5		2							2

Use the codes 3, 2, 1 for High, Moderate and Low correlation Between CO-PO-PSO respectively

### Course Structure:

#### Unit – 1: Capital gains:

13 Hours

Basis of charge – Capital asset and its types- Transfer, cost of acquisition – Indexation- Gains exempt from tax- Conditions for exemption-Computation of Capital Gain.

#### Examples/Applications/Case Studies:

Examples of Long term capital Assets and Short term capital assets

#### Exercises/Projects:

- Exercises on computation of taxable Long term capital Gain
- Exercises on computation of taxable Short term capital Gain

#### Specific Resources: (web)

<https://www.google.com/search?client=firefox-b-d&q=how+to+compute+capital+gain>

<https://cleartax.in/s/long-term-capital-gains-ltcg-tax>

<https://cleartax.in/s/short-term-capital-gains-stcg-tax>

#### UNIT – II: 2. Income from other sources:

15 Hours

Basis of

charge – Incomes Chargeable under the Head -Deductions permissible- Specific disallowances – Computation of Income from other sources.

#### Examples/Applications/Case Studies:

Example of Casual incomes and Specified Income

Application of TDS and its Calculation

#### Exercises/Projects:

- Exercises on computation of Taxable income from other sources

#### Specific Resources: (web)

<https://cleartax.in/s/other-income-sources>

<https://dit-live.taxmann.com/tutorials/49.income-from-other-sources.pdf>

<https://tax2win.in/guide/income-from-other-sources-detail-in-itr-1>

### **UNIT -III: Clubbing of incomes Setoff and Carry forward of losses      17 Hours**

Provisions governing clubbing of Incomes (Theory only)-. Mode of set off and carry forward –Inter – source adjustments-. Inter – head adjustments – Carry forward of Losses.

#### **Examples/Applications/Case Studies:**

- Application of setoff and carry forward of losses
- Case Study on Inter-head adjustments

#### **Exercises/Projects:**

- Exercises on set-off and carry forward of losses

#### **Specific Resources: (web)**

- <https://cleartax.in/s/set-off-carry-forward-losses>
- <https://sajaipuriacollege.ac.in/pdf/commerce/TAXATION-I-Set-of-Carry-forward-converted.pdf>
- <https://tax2win.in/guide/set-off-and-carry-forward-of-losses>

### **UNIT – IV: 4. Deductions from Gross Total Income**

**15 Hours**

Deduction under chapter VIA. – Relief U/s.89 (1)

#### **Examples/Applications/Case Studies:**

- Application of various deductions under sec 80

#### **Exercises/Projects:**

- Exercises on calculation of various deductions U/S 80
- Exercises on computation of Total income

#### **Specific Resources: (web)**

- <https://cleartax.in/s/80c-80-deductions>
- <https://cleartax.in/s/donation-under-section-80g-and-80gga>
- <https://tax2win.in/guide/deductions>

### **UNIT – V: Assessment of Agricultural Income**

**15 Hours**

Agricultural Income – Its types, Assessment of Agricultural Income (problems)

#### **Examples/Applications/Case Studies:**

- Application of Integration and not integration
- Examples of various types of Agricultural incomes

#### **Exercises/Projects:**

- Exercise on assessment of Agricultural Income

**Specific Resources: (web)**

- <https://cleartax.in/s/agricultural-income>
- <https://tax2win.in/guide/income-tax-agricultural-income>
- <https://incometaxmanagement.com/Pages/Tax-Ready-Reckoner/Assessment/Agricultural-Income/Assessment-of-Agricultural-Income.html>

**Text Books:**

1. Gaur & Narang (2024) Income Tax Law & Accounts By Kalyani Publishers, New Delhi
- 2.. Students Guide to Income Tax By: V.K.Singhania Taxmann – New Delhi. 12<sup>th</sup> edition

**Reference:**

R.G.Saha and Usha Devi N (2024) Income Tax Law By Himalaya Publishing house.



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<b>Title:</b>	<b>Income Tax - I</b>
<b>Offered to:</b>	<b>B.Com Minor</b>
<b>Category:</b>	<b>Minor</b>
<b>Max. Marks</b>	<b>70</b>
<b>Max.Time</b>	<b>3 Hrs</b>

**Section -A**

**Answer the following:**

**5X 4M = 20M**

1. A. What is Long term Capital Asset **K1**  
**or**  
B. Explain Indexed cost of acquisition **K1**
2. A. What is TDS ? How to calculate TDS on Casual Incomes? **K1**  
**or**  
B. Write any 5 Casual Income **K1**
3. A. How to set-off of Unabsorbed Depreciation. **K1**  
**or**  
B. Write Any two interhead adjustments **K1**
4. A. Deduction u/s 80TTA **K1**  
**or**  
B. Deduction u/s QQB **K1**
5. A. Write any 4 Agriculture Incomes **K1**  
**or**  
B. How to integrate? **K1**

**Section-B**

**Answer the following questions.**

**5X 10 =50**

6. A. Mr. Raj purchased a plot in 2003-2004 for Rs. 4,00,000. It was sold on 15-1-2020 for Rs. 14,80,000 and he paid Rs. 20,000 as brokerage charges. He invested Rs. 2,00,000 in bonds of National Highway Authority of India as on 31-3-2020 and Rs. 3,10,000 in bonds issued by Rural Electrification Corporation Ltd., on 1-06-2020. Compute his income from capital gain if C.I.I for 2003-2004 was 109 and for 2019-2020 is 289. **K3**

**Or**

B. Mr. Nagaraj sold a plot on July 10, 2020 (C.I.I.: 301) for 6,05,000; (Cost of acquisition on June 15, 2007 (C.I.I.: 129) 1,50,000, selling expenses amounted to 5,000. On August 10, 2020 he makes the following investments. Purchase of Bonds of National Highway Authority of India notified ws 54EC 1,00,000 and

invests ₹ 3,50,000 in a residential house at Delhi on July 10, 2020. He does not own any residential House. Determine his Taxable Capital Gain for the Assessment Year 2022-23. **K3**

7.A Mr. Prakash's investments for the previous year ended 31st March 2020 are as under.

- Rs.22,000, 12% Municipal bonds
- Rs.16,000, 20% Debentures of sugar company(Listed)
- Rs.22,000, 18% Less tax debentures of Tata co.
- Rs.10,000, 11% Treasury savings deposits
- Rs.40,000, 16% A.P Government loan
- Rs.10,000, 15%Convertible debentures of E-series sold on 1<sup>st</sup> Oct
- Rs.30,000, 15% DCM Company Ltd Debentures Not listed in stock exchange
- Collection charges paid Rs.500 compute his Income from other sources. **K3**

OR

B. Mr. Mukunda furnishes the following information about his income for the previous year 2021-22. Compute his income under the head "Other Sources". **K3** Dividend on equity shares ₹600

- i. Dividend on preference shares ₹3200
- ii. Income from letting on hire of building and machinery under composite lease ₹17000
- iii. Interest on bank deposits ₹2,500
- iv. Director's fees 1,200
- v. Ground rent ₹600
- vi. Income from undisclosed sources (unexplained) ₹10,000
- vii. Income from lotteries (Gross) 10,000

The following deductions are claimed by him:

- a. Collection charges of dividend ₹20
- b. Allowable depreciation on building and machinery ₹4,000
- c. Fire insurance premium on building and machinery ₹100

8.A. Mr. Datta (Age 31 years) submitted the following particulars of income for the previous year relevant to the current assessment year. Compute his total income for the Assessment year 2020-2021. **K3**

Income from Salary	6,00,000
<u>Income from House property</u>	
House Number 1(Income)	24,000
House Number 2(Loss)	20,000
House Number 3(Loss)	60,000
<u>Income from Business</u>	
Sugar business(Profit)	5,05,000
Electric Business(Loss)	75,000
Speculation loss in shares	1,72,000
Speculation profit commodity	1,28,000
Loss from specified business	82,000
<u>Capital Gain</u>	
Short term capital loss	18,000
Short term capital Gain	6,000
Long term capital Gain	10,000

