

SEMESTER-V

B.Com

Discipline Specific Core Course- 5.1(DSC-5.1): Income Tax Law and Practice

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Income Tax Law and Practice DSC- 5.1	4	3	0	1	Pass in Class XII	NIL

Learning Objectives

The course aims to impart knowledge of law pertaining to levy of income tax in India.

Learning Outcomes:

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

1. Describe the basic concepts of income tax and determine the residential status of different persons.
2. Compute income under the heads ‘salaries’ and ‘income from house property’.
3. Compute income under the heads ‘profits and gains of business or profession’ and ‘capital gains’.
4. Compute income under the head ‘income from other sources’ and recognise the provisions relating to income of other persons included in assessee’s total income
5. Discuss the various deductions and computation of total income and tax liability of individuals.

SYLLABUS OF DSC-5.1

Unit 1: Introduction (9 hours)

Basic concepts: Income; Agricultural income, Person, Assessee, Assessment year, Previous year, Gross Total Income, Total income, Maximum marginal rate of tax and Permanent Account Number (PAN); Residential status: Scope of total income on the basis of residential

Unit 2: Computation of Income from Salaries and House Property (11 hours)

Income from Salaries; Income from House Property.

Unit 3: Computation of Income from Business or Profession and Capital Gains (11 hours)

Profits and gains of business or profession; Capital gains.

Unit 4: Income from Other Sources, Clubbing of Income and Set-off (7 hours)

Income from other sources; Income of other persons included in assesses total income; Aggregation of income and set-off and carry forward of losses.

Unit 5: Deductions and Computation of Total Income and Tax Liability (7 hours)

Deductions from gross total income; Rebates and reliefs; Computation of total income and tax liability of individuals (On-line filing of Returns of Income & TDS).

Practical Exercises:

The learners are required to:

1. Prepare a case study for a person resident but not ordinarily resident in India having income under the head other sources of income.
2. Prepare a presentation indicating the impact of alternative tax regime structure on the tax liability of an assessee.
3. Present a hypothetical case wherein the impact of change in the capital gains taxes are reflected as per the relevant Financial Act.
4. Learn about various tax services available on the official website of Government of India.
5. Prepare a list of tax deductions available in case of a senior citizen.
6. Explore and attempt on-line filing of Returns of Income & TDS on Income tax e-filing website under ITR-1 and ITR-2.

Suggested Readings:

- Ahuja, G., & Gupta, R. (2022). *Simplified Approach to Income Tax*. Delhi, India: Flair Publications Pvt. Ltd.
- Bandopadhyaya, S. B. (2019). *Taxation I, II*. Delhi, India: Oxford University Press.
- Mittal, N. (2019). *Concept Building Approach to Income Tax Law & Practice*. Delhi, India: Cengage Learning India Pvt. Ltd.

- Singhanian, V. K., & Singhanian, M. (2021). *Students' Guide to Income Tax, University Edition*. Delhi, India: Taxmann Publications Pvt. Ltd.

Additional Resources

- Current Tax Reporter. Jodhpur, India: Current Tax Reporter.
- Income Tax Reports. Chennai, India: Company Law Institute of India Pvt. Ltd.
- Corporate Professionals Today. Delhi, India: Taxmann.

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

Downloading ITR-1 (Excel Utility) for FY 2024-25 (AY 2025-26)

- <https://incometax.gov.in>
- System Requirements: Microsoft -Windows 7 or Later
- Click on Download Tab [Select Assessment Year 2025-26 \(by Default\)](#)
- **Ignore** Common Offline Utility (ITR 1 to ITR 4)
- **Click ITR 1**
- **For individuals being a resident (other than not ordinarily resident) having total income upto Rs. 50 lakh and having Income from Salaries, one house property, other sources (Interest etc.), long-term capital gains under section 112A up to Rs. 1.25 lakh, and agricultural income up to Rs. 5 thousand**
- **Utility Excel Based (3.33 MBs) and Download**
- Save Zip Folder **ITR1_AY 25-26_V 1.4 (Released on 16-09-25)** on your system (Desktop)
- Right Click the Folder and click Extract ITR1_AY_25-26_V1.4 xlms
- Microsoft Excel Macro-Enabled Worksheet will be opened on your system (Desktop) instantly.
- Advised to Rename the worksheet by right Clicking.
 - If on the Top: **Protected View** – Click on Enable Editing
 - Then **Security Risk** : Microsoft has blocked macros from running
 - Close the Worksheet; Click Right and Select Properties
 - **Bottom – Security – Click Unblock – Apply – OK**
 - Now Again open the Downloaded Worksheet
- Do not Control + Copy; Control + Paste; Do not delete any Row / Column / Sheet
- Green Cells are for Data Entry; Red Levels mandatory
- **Total 4 Sheets (By Default); If opted Out New Regime then there will be 12 Sheets**

Downloading ITR-2 (Excel Utility) for FY 2024-25 (AY 2025-26)

- <https://incometax.gov.in>
- System Requirements: Microsoft -Windows 7 or Later
- Click on Download Tab [Select Assessment Year 2025-26 \(by Default\)](#)
- **Ignore** Common Offline Utility (ITR 1 to ITR 4) and ITR 1
- **Click ITR 2**
- **For Individuals and HUFs not having income from profits and gains of business or profession**
- **Utility Excel Based (8.42 MBs) and Download**
- Save Zip Folder **ITR2_AY 25-26_V 1.2 (Released on 16-09-25)** on your system
- Right Click the Folder and click Extract ITR2_AY_25-26_V1.2 xlms
- Microsoft Excel Macro-Enabled Worksheet will be opened on your system (Desktop) instantly.
- Advised to Rename the worksheet by right Clicking.
 - If on the Top: **Protected View** – Click on Enable Editing
 - Then **Security Risk** : Microsoft has blocked macros from running
 - Close the Worksheet; Click Right and Select Properties
 - **Bottom – Security – Click Unblock – Apply – OK**
 - Now Again open the Downloaded Worksheet
- Do not Control + Copy; Control + Paste; Do not delete any Row / Column / Sheet
- Green Cells are for Data Entry; Red Levels mandatory
- **Total 33 Sheets including Home.**

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