



Indian Institute of Management, Ahmedabad
Course Outline: Business Taxation
PGP II / Term 6, 2015-17
December 2016 – March 2017

Course Context:

India has several taxes which relate to business activity. Income tax applies to all individuals and corporate persons who earn income. Excise duty applies to manufacturing of goods. Custom duty is levied when any person imports goods. Value Added Tax applies to sale of goods. Service tax applies to provision of services. Each of the taxes has a different basis. In addition, some taxes are applied by the states, for example, VAT, while others are levied by the Centre.

Every stage of business or management practice involves incidence(s) of taxation. Towards compliance with the requirements of the tax law, business practices have to be optimally structured. Further, every contract or project has to be conceived with incidences of taxation. As the incidences of taxation change every year, the relationship of taxation and management practices have to be continually appraised. Thus, it is imperative for a manager to be well versed with the foundation and incidences of taxation in India.

Objective

The objective of the course is to introduce the participants to the basis, incidence and application of the main taxes in India, namely, income tax, excise, service tax and Value Added Tax.

Evaluation

The following are the components of evaluation for the course.

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| • Class Participation and Attendance | 20% |
| • Quizzes | 35% |
| • End Term | 45% |

Course Instructor:

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Reference material:

Book on Business Taxation by Prof. Akhileshwar Pathak and Savan Godiawala
published by McGraw Hill Education

Session Plan**Income Tax**

Session 1 Topic: Income Tax: Introduction

Reading:

Chapter on Introduction
Chapter on Income Tax: Introduction
Chapter on Income from House Property

Session 2 Topic: Business Income

Reading:

Chapter on Income from Business and Profession
Chapter on Capital Asset and Depreciation
Chapter on Business Income: Special Provisions

Session 3 Topic: Capital Gain

Reading:

Chapter on Capital Gain
Chapter on Capital Gains: Securities

Session 4 Topic: Capital Gain

Reading:

Chapter on Capital Gain: Depreciable Assets

Session 5 Topic: Salary and Other Sources

Reading:

Chapter on Income from Salary

Chapter on Income from Other Sources

Session 6 Topic: Carry Forward and Losses

Reading:

Chapter on Aggregation and Carry Forward of Losses

Session 7 Topic: Exemptions and Deductions/ Service Tax

Reading:

Chapter on Exemption, Deduction and Rebates

Chapter on Service Tax

Other Taxes

Session 8 Topic: Service Tax

Reading:

Chapter on Service Tax

Session 9 Topic: Value Added Tax and Excise Duty

Reading:

Chapter on Central Excise Tax

Chapter on Value Added Tax

Session 10 Topic: Review