



**Course Title: Corporate Tax Planning & Management**

**Course Code: ACCT801**

**Credit Units:03**

**Level: PG**

| L | T | P/<br>S | SW/F<br>W | TOTAL<br>CREDIT<br>UNITS |
|---|---|---------|-----------|--------------------------|
| 3 | 0 | 0       | 0         | 3                        |

| Course Title   | Weightage(%) |
|--|--------------|
| <p><b>Course Objectives:</b></p> <p><i>Knowledge:</i>To acquaint the students with basic principles underlying the provisions of direct and indirect tax laws and to develop a broad understanding of the tax laws and accepted tax practices. To give an understanding of the relevant provisions of Direct Tax Code.</p> <p><i>Comprehension:</i> To introduce practical aspects of tax planning as an important managerial decision-making process.</p> <p><i>Understanding:</i> It will provide understanding of direct tax including rules pertaining to and application to different business situations. It will make students understand the principles underlying service tax and the basic concepts of VAT.</p> <p><i>Analysis;</i> To expose the participants to real life situations involving taxation and to equip them with techniques for taking tax-sensitive decisions.</p> <p><i>Synthesis:</i> This course aims at making students conversant with the concept of corporate tax planning, Indian tax laws and their implications for corporate management.</p> <p><i>Evaluation:</i> Develop the ability to apply the knowledge of the provisions of the above-mentioned laws to various situations in actual practice</p> |              |
| <p><b>Prerequisites:</b></p> <p>The student opting for this course should have a basic knowledge of financial accounting and financial management.</p>   |              |
| <b>Student Learning Outcomes:</b>  |              |

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| <p>On the successful completion of this course</p> <ul style="list-style-type: none"> <li>the student will be able to interpret and analyze legitimate way of tax planning under different provisions of the Income-tax Act, 1961.</li> <li>A study of this paper will be helpful in taking different financial/managerial decisions after evaluating and reviewing the impact of direct and indirect tax laws.</li> <li>Develop the ability to evaluate the difference between tax planning and tax avoidance provisions .</li> </ul>  |                  |
| <p><b>Module I Basic concepts, nature and scope of tax Planning and Management</b></p>  | <p><b>20</b></p> |
| <p><b>General Framework of Direct Taxation in India</b><br/> Different direct tax laws and their inter-relationship in the scheme of taxation in India, importance of Income Tax Act and Annual Finance Acts. Overview of Direct Tax Code.</p> <ul style="list-style-type: none"> <li>Residential status of companies and tax incidence; tax concession and incentives for corporate decision; Corporate tax in India; Types of companies</li> <li>Tax liability and minimum alternate tax with special emphasis on SEZ and companies under 80IA/IB ; Tax on distributed profits; tax planning for depreciation; carry forward and set off losses</li> <li>Concept of Tax Planning: Meaning, Scope, Importance, Objectives of Tax Planning. Tax Avoidance, Tax Evasion and Tax Planning.</li> <li><b>Tax Management;</b> Nature, objectives, difference between Tax Planning and Tax Management, Areas of Tax Management ,Return of Income and Assessment, Appeals and Revisions</li> </ul> |                  |
| <p><b>Module II Areas of Tax Planning</b></p>   | <p><b>30</b></p> |
| <ul style="list-style-type: none"> <li>Tax planning with reference to setting up of a new business: Locational aspect, nature of business, form of organization</li> <li>Tax planning with reference to financial management Decision -Capital structure, dividend including deemed dividend and bonus shares; Purchase of Assets out of own Funds or out of Borrowed Funds.</li> <li>Tax planning with reference to specific management decisions-Make or buy; own or lease; section 43B</li> <li>Tax planning with reference to employees' remuneration</li> <li>Tax planning with reference to sale of scientific research assets</li> <li>Tax planning with reference to distribution of assets at the time of liquidation</li> </ul>   |                  |
| <p><b>Module III Transfer Pricing</b></p>   | <p><b>20</b></p> |
| <ul style="list-style-type: none"> <li>Provisions regulating International and domestic transfer pricing-</li> <li>Computation of arms length transaction including disclosures for non arms length transactions as per Companies Act 2013.</li> </ul>  |                  |

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| <ul style="list-style-type: none"> <li>• Advance Pricing Agreements</li> <li>• Latest Supreme Court Judgments</li> <li>• Other related provisions under Companies Act 2013</li> </ul>  |           |
| <b>Module IV Special Tax Provisions</b>  | <b>10</b> |
| <ul style="list-style-type: none"> <li>• Tax provisions relating to Free Trade Zones,</li> <li>• Tax Incentives for Exporters. Special provisions relating to non-residents</li> <li>• Doubt Taxation Avoidance Agreement</li> </ul>   |           |
| <b>Module V Wealth Tax, Service tax and VAT</b>  | <b>20</b> |
| <ul style="list-style-type: none"> <li>• Scheme of wealth tax; assets to be included in net wealth; exempted assets;</li> <li>• valuation of assets; wealth tax liability:</li> <li>• Applicability and services covered; valuation of taxable services for service tax; payment of service tax; registration; furnishing of return; maintenance of record; other obligations.</li> <li>• Basic concept of VAT; how VAT operates; merits&amp; demerits of VAT;</li> <li>• a brief overview of state level VAT in India.(VAT is not to be studied with reference to any particular State VAT Law.)</li> </ul> |           |
| <b>Pedagogy for Course Delivery:</b>   |           |
| <p>The course is covered by adopting a combination of lecture methods, class presentation by groups of students, self study sessions. Each student is required to do the back ground reading from the specified chapters of the prescribed book before coming to class. Cases especially based on Supreme Court rulings are also to be analyzed, discussed in groups (teams) outside the class as preparatory work.</p>  |           |

| <b>Assessment/ Examination Scheme:</b>           |               |                                 |      |            |                             |
|--|---------------|---------------------------------|------|------------|-----------------------------|
| <b>Theory L/T (%)</b>                            |               | <b>Lab/Practical/Studio (%)</b> |      |            | <b>End Term Examination</b> |
| 100  |               | NA                              |      |            | 70                          |
| <b>Theory Assessment (L&amp;T):</b>              |               |                                 |      |            |                             |
| <b>Continuous Assessment/Internal Assessment</b> |               |                                 |      |            | <b>End Term Examination</b> |
| <b>Components (Drop down)</b>                    | Mid-Term Exam | Project                         | Viva | Attendance |                             |
| <b>Weightage (%)</b>                             | 10            | 10                              | 5    | 5          | 70                          |

### **Text & References:**

- Dr. Girish Ahuja & Dr. Ravi Gupta Simplified Approach to Corporate Tax Planning & Management (Bharat Law House),
- Singhania V K & Singhania Monica, Corporate tax planning and Business tax procedures, Taxmann publications

### **References**

- Singhania V K & Singhania Monica, Systematic Approach to Income Tax and Central Sales Tax
- Girish Ahuja and Ravi Gupta Corporate Tax Planning & Management Bharat Law House 2014
- E A Srinivas, Corporate tax Planning, Tata Mc Graw Hill
- John E. Karayan, Charles W. Swenson, and Joseph W. Neff, Strategic Corporate Tax Planning, Kindle Edition,
- Kaushal Kumar Agrawal, Corporate Tax Planning, , Vol. 1,
- Dr. B B Lal, Direct Taxes, Konark Publications
- V.S Datey, Indirect taxes, Law and Practice, Taxmann Publications
- V Balachandran, Indirect taxation, Sultan Chand
- Rajeev Puri, Corporate Tax Planning and Management
- R.N. Lakhota, Corporate Tax Planning Handbook,
- Ghosh, R.K. & Saha, S., Income Tax Rules, Taxman ND
- Singhania V K, 2014, Direct Taxes Planning and Management, Taxmann.
- Taxmann's statutory manual for chartered accountants, company secretaries, cost and works accountants, advocates. - New Delhi: Taxmann,
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