LL.B. VI Term


Prescribed Legislation:
1. The Income Tax Act, 1961
2. The Central Excise Act 1944
3. The Customs Act 1962

Prescribed Book:
1. Vinod K. Singhania & Kapil Singhania, Taxmann’s *Direct Taxes – Law & Practice*
2. Girish Ahuja & Ravi Gupta, *Direct Taxes – Law and Practice*

Topic 1: Introduction
Definition of Income [Section 2(24)] – Capital Receipt v. Revenue Receipt - Tests to distinguish (with special reference to ‘Salami’); Assessee; Previous Year (section 3); Assessment year; Basis of charge (Receipt, Accrual, and Arisal); General Scheme of Income Tax Act, 1961

2. *Maharaja Chintamani Saran Nath Sah Deo v. CIT* (1971) 2 SCC 521 00

Topic 2: Agricultural Income – Meaning of Agricultural Income [Section 2(1A), 10(1)]

3. *Bacha F. Guzdar v. C.I.T., Bombay*, AIR 1955 SC 74 00
5. *C.I.T. v. Maddi Venkatasubbayya* (1951) XX ITR 151 (Mad.) 00
6. *C.I.T. v. H.G. Date* (1971) 82 ITR 71 (Bom.) 00

Topic 3: Residence and Scope of Total Income
Tests for the determination of residential status of Assessee (section 6); Total income of assessee (sections 4 and 5); Income deemed to accrue or arise in India (section 9); Incidence of tax varies with residential status of an assessee?

8. *V.V.R.N.M. Subbaya Chettiar v. C.I.T.*, AIR 1951 SC 101 00
9. *Narottam and Parekh Ltd. v. CIT, Bom. City*, AIR 1954 Bom. 67 00
10. Vodafone International Holdings B.V. v. Union of India (UOI) and Anr, (2012)6SCC613 00
Topic-4 : Heads of Income (Sections 14-59)

Heads of Income (section 14), Rationale; Heads, whether mutually exclusive

Head A : Salaries (Sections 15 to 17) – Chargeability - Meaning of Salary; Perquisites; Profits in lieu of salary

12. C.I.T. v. L.W. Russel, AIR 1965 SC 49

[Head B : Omitted by the Finance Act, 1988 with effect from 1-4-1989]

Head C : Income from House Property (Sections 22 to 27) - Ingredients of section 22 - Annual Value how to be determined - Deductions under section 24 - Deemed owner (section 27)

13. C.I.T., West Bengal v. Biman Behari Shaw, Shebait (1968) 68 ITR 815 (Cal.)

Head D : Profits and Gains of Business and Profession (Sections 28 to 44) –Applicability - Deductions - Bad debts

17. C.I.T. v. Mysore Sugar Co. Ltd., AIR 1967 SC 723

Business Expenditure – Allowability - Tests of distinctions between Business expenditure and Capital expenditure [section 37(1)]


Head E: Capital Gains (Sections 45 to 55) – Definition of capital assets [section 2(14)]; Short term capital assets [section 2(42A)]; Short term capital gains [section 2(42B)]; Long term capital assets and Long term capital gain [section 2(29A) and 2(29B)]; Meaning of ‘Transfer’[section 2(47)]; computation (section 45); Transactions not amounting to transfer (sections 46 and 47); Mode of computation (section 48); Meaning of ‘adjusted’, ‘cost of improvement’ and ‘cost of acquisition’(section 55)

22. N. Bagavathy Ammal v. C.I.T., Madurai, JT 2003 (1) SC 363
**Head F: Income from Other Sources** (Sections 56 to 59)


**Topic 5: Income of Other Persons included in Assessee’s Total Income**
(Sections 60 to 64) - concept of clubbing of income – justifiability - throwing of separate property into the common stock of Joint Hindu Family and subsequent partition of the same section 64(2)


**Topic 6: Set Off, Carry Forward and Set off of Losses**
(sections 70, 71, 71A 71B, 72, 72A, 73, 74, 74A)


**Topic 7: Assessment – Best Judgment Assessment; Income escaping assessment**
(Sections 139, 142, 143, 144, 145(3), 147, 148, 149, 150, 151 and 153)


**Topic 8: Indirect Taxes**

a) Overview of Central Excise Act 1944
b) Overview of Customs Act 1962
c) Overview of Goods and Services Act 2016

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Taxation Laws

Cases Selected and Edited by
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