

6. CORPORATE TAX MANAGEMENT

Unit I: Basic Concepts - Assessment year - Previous year - Person - Assessee - Income
Gross Total income - Total income - Capital Asset - Company - Capital Receipts Vs Revenue
Receipts - Capital Expenditure Vs Revenue Expenditure - Method of Accounting
Amalgamation. Residential status and Tax incidence - Incomes exempt from tax.

Unit II: Computation of Profits and Gains of Business or Profession - General Principles
Deductions and Allowances - Deemed Profits - Income from undisclosed sources - Valuation
of stock - Problems on computation of Income from Business or Profession.

Unit III: Taxation of Companies: Definitions of Indian Company, Domestic Company,
Foreign Company, Industrial Company, Widely held company, closely held company,
Investment company, consultancy service company and Trading Company. Deductions
available to company - carry forward and set-off of losses in the cases of certain companies.
Tax on undistributed profits of domestic companies - Problems on computation of taxable
income of corporate assesseees.

Unit IV: Tax Consideration in specified managerial decisions and their implications on cash
flow, make or buy, own or lease, retain or replace, export or domestic sales, shut down or
continue, purchase by installment or hire, Expand or Reduce the size of business.

Unit V: Tax consideration in special areas - Foreign collaboration agreements, Mergers,
Amalgamation, Reconstructions and Acquisitions - Capital structure and dividend policy -
depreciation and other allowances - New Industrial undertakings and tax reliefs - Personnel
compensation plan.

Reference:

1. Lakhota, R.N., and S.Lakhota, *Corporate Tax Planning Hand Book*, Vision Books, New Delhi.
2. Vinod K. Singhanian, *Direct Taxes: Law and Practice*, Taxmann publications, New Delhi.
3. Mehrotra and Goyal, *Income Tax Law and Practice*, Sahitya Bhawan, Agra.
4. Palkivala, N.A. and Palkivala B.A., *Kanga and Palkivala's Law & practice of Income Tax*, R.M. Tripathi.
5. Bhagwati Prasad, *Direct Taxes Law and Practice*, Wishwa Prakash, New Delhi
6. B.B. Lal, *Direct Taxes Practice and Planning*, Konark