



WHAT IS TAX

A COMPULSORY PAYMENT

TO GOVERNMENT

AS PER LAW

TYPES OF TAXES

Government

DIRECT TAX

INCOME TAX, ✓
PROPERTY TAX ✓

INDIRECT TAX

GST,
CUSTOM DUTY

Ajay

12:10,000
12:1 1200
11,200

Mobile Shoppe

GST Depoirtm

Ajay = 7,50,000
60,000 → Government



INCOME TAX ACT 1961

<https://www.incometax.gov.in>

INCOME TAX

Return →

(Declaration/Report)

TDS

ADVANCE TAX

(Challan)

ITR

10,000

No Return

280 challan

Returns

280 challan

INCOME TAX IS PAN BASED



Individual



Pvt Ltd
Company

BBUPN5192H



(PAN)

P	Personal / Proprietorship	
✓ F	Partnership Firm	✓
✓ C	Company	✓
✓ H	Hindu Undivided Family	✓
✓ A	Association of Persons	✓
✓ T	Trust	✓
B	Body of Individuals	
✓ L	Local Authority	
J	Artificial Juridical Person	
✓ G	Government	

TYPES OF ASSESSEE (PERSON LIABLE TO PAY TAX)

Assessee means a person liable to pay Income Tax. Following persons are liable to pay Income tax.

✓ Individual [Even Proprietorship covered here]

• HUF [Hindu Undivided Family]

• Partnership

• AOP [Association of Person]

• BOI [Body of Individual]

• Companies [Private Limited Company or Public Limited Companies]

• Trust

• Local Authority

• Artificial Juridical Person

• Government



BASIC DEFINITIONS

- **INCOME TAX**
- **FINANCIAL YEAR OR PREVIOUS YEAR**
- **ASSESSMENT YEAR**
- **ASSESSEE**
- **RESIDENTIAL STATUS**
- **INCOME SOURCES**
- **INCOME TAX RETURN (ITR)**
- **ITR FORMS**
- **TAX PAYMENT (CHALLAN)**



- **26AS REPORT (TDS REPORT)**
- **AIS REPORT (ANNUAL INFORMATION STATEMENT)**
- **TDS**
- **SELF-ASSESSMENT TAX**
- **INCOME TAX CHALLAN**
- **DUE DATES**

- **REGULAR INCOME TAX RETURN SEC. 139(1)**
- **BELATED INCOME TAX RETURN 139(4)**
- **REVISED INCOME TAX RETURN 139(5)**

FINANCIAL YEAR

ASSESSMENT YEAR

1 April 2023 — 31 March
2024

FY 23-24



Ay 24-25



PRACTICE OF AY & FY

Financial year /
Previous year

MR. RAM EARNED A SALARY OF RS. 8,00,000/- IN THE YEAR 2022-23

WHAT IS THE FINANCIAL YEAR FOR THIS?



FY 2022-23

WHAT IS THE ASSESSMENT YEAR FOR THIS?



AY 2023-24

WHEN WILL HE FILE THE INCOME TAX RETURN?

RESIDENTIAL STATUS

1) RESIDENT

2) NRI

Resident

A taxpayer would qualify as a resident of India if he satisfies one of the following 2 conditions :

1. Stay in India for a year is 182 days or more or

2. Stay in India for the immediately 4 preceding years is 365 days or more and 60 days or more in the relevant financial year

INCOME SOURCES

Ajay

1. SALARY (full-time employee)

2. HOUSE PROPERTY

3. BUSINESS & PROFESSION

4. CAPITAL GAIN

5. OTHER SOURCES

Job

Share market

Shop

Fb - Interest

Share



1. INCOME FROM SALARY

Any income that you receive in terms of the service you provide on a contract of employment is applicable for taxation under this head.

This includes salary, advance salary, perquisites, gratuity, commission, annual bonus, and pension.

It also includes Allowances and Perquisites

2. INCOME FROM HOUSE PROPERTY

An individual's income from his or her property or land is taxable under the head of income from house property.

House Property Includes:

House property includes the building itself and any land attached to the building.

Property refers to any building (house, office building, warehouse, factory, hall, shop, auditorium, etc.)

and/or any land attached to the building (compound, garage, garden, car parking space, playground, gymkhana, etc.).

Income from House Property

Income from House taxable here like Rent

Income includes loss So even loss covered

Rent Should be from House If rent from other assets, not covered here

Only Income from House Covered

House=
Building
+
Land Appurtenant (Attached) to Building

3. INCOME FROM BUSINESS & PROFESSION

Income from a business or profession is only taxable if the taxpayer operated the business or profession in the previous year.

First, let's see what is Business:

The business consists of any –

- Trade, →
- Commerce,
- Manufacturing, →
- Even providing services to other people is regarded as a business.

For example: managing a hotel, transportation company, travel agency, share brokering, etc.

Therefore, Profession refers to activities where persons earn a living by using their intellect or manual ability, such as:

- Legal _____
- Medical _____
- Engineering _____
- Chartered Accountant _____
- Architectural etc. _____

4. INCOME FROM CAPITAL GAIN

Any profit or gain that arises from the sale of a 'capital asset' comes under the category 'income from capital gains', and hence you will need to pay tax for that amount in the year in which the transfer of the capital asset takes place.

This is called capital gains tax. **The two types of Capital Gains are short-term capital gains tax (STCG) and long-term capital gains tax (LTCG).**

Capital Assets

Land, building, house property, vehicles, patents, trademarks, leasehold rights, machinery, and jewelry are a few examples of capital assets.

This includes having rights in or in relation to an Indian company. It also includes the rights of management or control or any other legal right.

The following do not come under the category of capital assets:

- a. Any stock, consumables or raw material, held for the purpose of business or profession
 - b. Personal goods such as clothes and furniture held for personal use
 - c. Agricultural land in rural(*) India
 - d. 6½% gold bonds (1977) or 7% gold bonds (1980) or National Defence gold bonds (1980) issued by the central government
 - e. Special bearer bonds (1991)
 - f. Gold deposit bond issued under the gold deposit scheme (1999) or deposit certificates issued under the Gold Monetisation Scheme, 2015
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5. OTHER SOURCES

Interest / FD

Commission

Dividend

ITR FORMS

FORM	USED FOR
ITR 1	Small Salaried or Interest Or One House Property upto 50 Lacs
ITR 2	2 House Property or Capital Gain or Salary > 50 lacs
ITR 3	Large Proprietorship (Audit Case) <i>Buon + capita +</i> <i>Buon + (ITR-3)</i>
ITR 4	Small Proprietorship/professionals (44AD)
ITR 5	Partnership
ITR 6	Companies (Private Limited)
ITR 7	NGO/Trust/Temple/Hospital

INCOME TAX SLAB FOR INDIVIDUAL/HUF

Existing Tax Regime		New Tax Regime u/s 115BAC	
Income Tax Slab	Income Tax Rate	Income Tax Slab	Income Tax Rate
Up to ₹ 2,50,000	Nil	Up to ₹ 2,50,000	Nil
₹ 2,50,001 - ₹ 5,00,000	5% above ₹ 2,50,000	₹ 2,50,001 - ₹ 5,00,000	5% above ₹ 2,50,000
₹ 5,00,001 - ₹ 10,00,000	₹ 12,500 + 20% above ₹ 5,00,000	₹ 5,00,001 - ₹ 7,50,000	₹ 12,500 + 10% above ₹ 5,00,000
Above ₹ 10,00,000	₹ 1,12,500 + 30% above ₹ 10,00,000	₹ 7,50,001 - ₹ 10,00,000	₹ 37,500 + 15% above ₹ 7,50,000
		₹ 10,00,001 - ₹ 12,50,000	₹ 75,000 + 20% above ₹ 10,00,000
		₹ 12,50,001 - ₹ 15,00,000	₹ 1,25,000 + 25% above ₹ 12,50,000
		Above ₹ 15,00,000	₹ 1,87,500 + 30% above ₹ 15,00,000