



The background is a solid green color with various white line-art icons scattered around. These icons include stacks of money, individual coins, a piggy bank, a bar chart, a dollar sign, and a hand holding coins. The main title is centered in a large, bold, white font.

Basics of Income Tax

Income Tax Act, 1961




Different types of taxes in India




Direct Tax

A direct tax is a tax that is levied directly on an individual's or entity's income or wealth and paid straight to the government



Indirect Tax

An indirect tax is a tax collected by intermediaries like sellers / service providers on goods or services, which is ultimately borne by the consumer



Taxable Entities in India

Individual

**Artificial Judicial
Person**

**Hindu Undivided
Family (HUF)**

Firm / LLP

Company

Local Authority

AOP / BOI

**Co-operative
Society**

Residential Status

Income Tax in India is based on a person's residential status. A person can be :

- ✓ ROR
- ✓ RNOR
- ✓ NR



Basic Concepts

Previous Year	Perquisites
Assessment Year	Allowances
Assesse	Capital Assets
Gross Total Income	Casual Income
Total Income	Assessment
Exempt Income	Deductions

Heads of Income

Income from salary

Income from House Property

PGBP

Capital Gains

Income from Other Sources



Computation of total income

A. Heads of Income

- ✓ Income from Salary
- ✓ Income from House Property
- ✓ PGBP
- ✓ Capital Gains
- ✓ Income from Other Sources

B. Gross Total Income

Less : Deductions under Chapter VI-A

C. Net Total Income

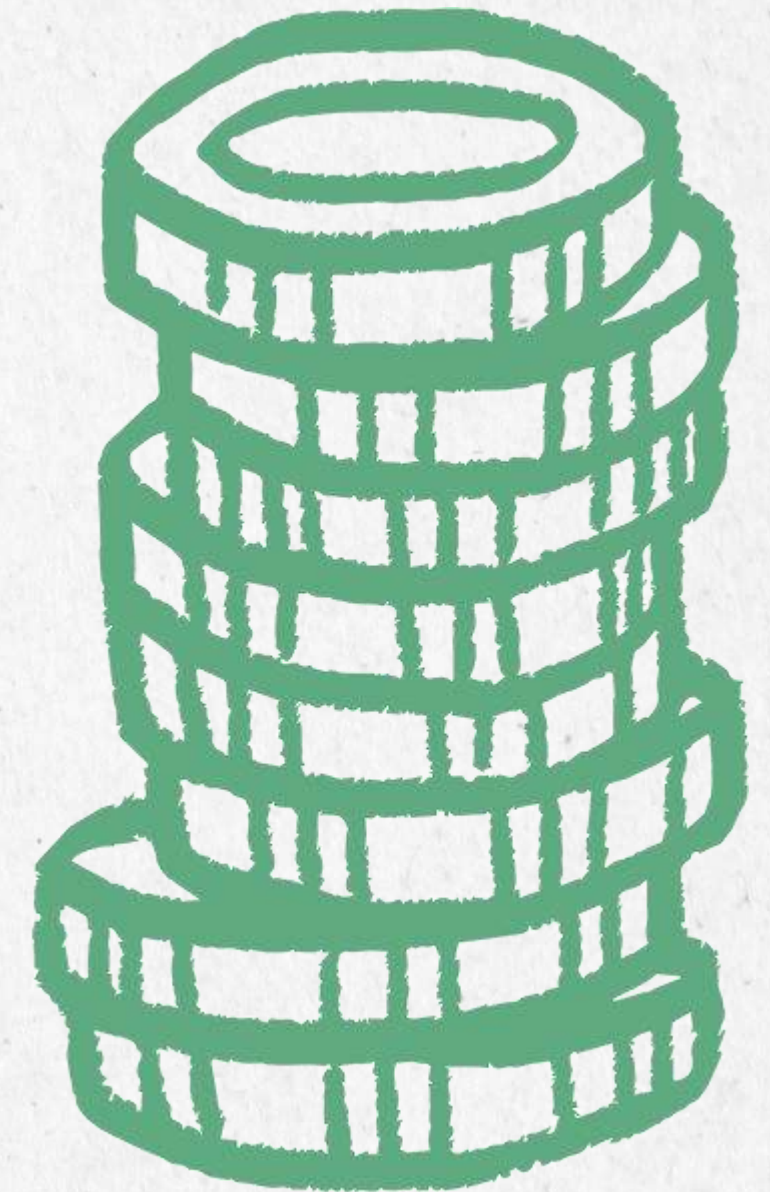
D. Tax Due (As per Slab)

Less : Rebate (If applicable)

Add : Surcharge (If applicable)

Add : Health & Education Cess (Compulsory)

E. Total Tax liability



Default Regime – Section 115BAC

<u>Income Slab</u>	<u>Tax %</u>
Up to ₹3,00,000	0%
₹3,00,001 – ₹7,00,000	5%
₹7,00,001 – ₹10,00,000	10%
₹10,00,001 – ₹12,00,000	15%
₹12,00,001 – ₹15,00,000	20%
Above ₹15,00,000	30%

Surcharge – Applicable to High Income Individuals

<u>Total Income</u>	<u>Tax %</u>
₹50,00,000 - ₹1,00,00,000	10%
₹1,00,00,000 - ₹2,00,00,000	15%
> ₹2,00,00,000	25%

Old Regime – Individuals & HUF's

(Below 60 years)

<u>Income Slab</u>	<u>Tax %</u>
Up to ₹2,50,000	0%
₹2,50,001 – ₹5,00,000	5%
₹5,00,001 – ₹10,00,000	20%
Above ₹10,00,000	30%

Old Regime – Senior Citizens

(60-80 years)

<u>Income Slab</u>	<u>Tax %</u>
Up to ₹3,00,000	0%
₹3,00,001 – ₹5,00,000	5%
₹5,00,001 – ₹10,00,000	20%
Above ₹10,00,000	30%

Old Regime – Super Senior Citizens (80 years & above)

<u>Income Slab</u>	<u>Tax %</u>
Up to ₹5,00,000	0%
₹5,00,001 – ₹10,00,000	20%
Above ₹10,00,000	30%

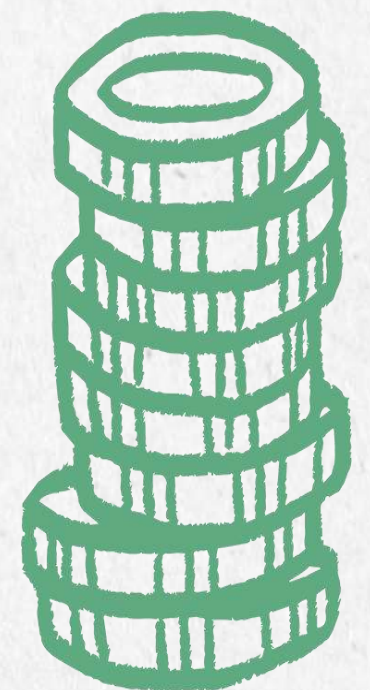
Income Tax Return

ITR is a form where tax payers declare their income, deductions and taxes paid for a FY. It ensures compliance with the Income Tax Act and helps claim refunds if excess tax is paid or pay balance tax if short paid.

✓ Who should file ITR ?

✓ Due dates of filing ITR ?

✓ Consequences of non-filing



ITR Forms

ITR – 1
(Sahaj)

ITR – 2

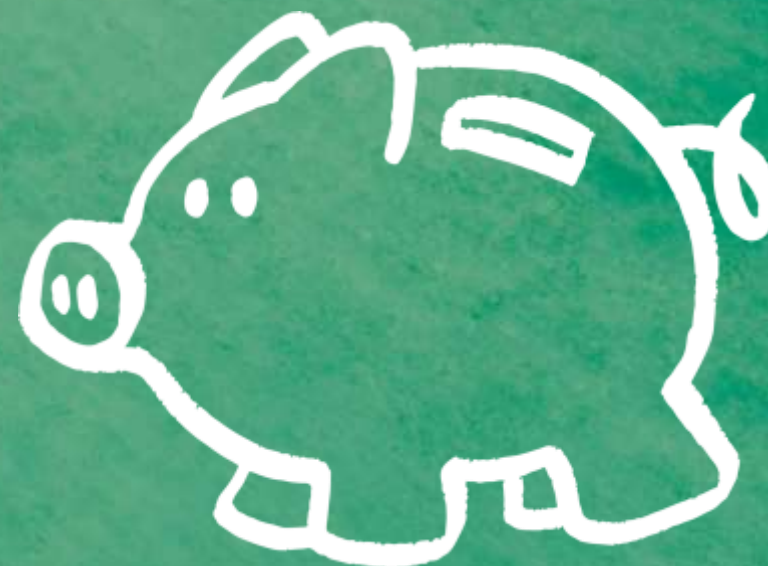
ITR – 3

ITR – 4
(Sugam)

ITR – 5

ITR – 6

ITR – 7



TDS & TCS

TDS is a tax collected upfront by deducting a percentage from payments like salary, interest, rent, fees, commission, property sales or winnings and depositing it with the government later adjusted in the taxpayer's ITR



TCS is tax collected by the seller from the buyer at the time of sale of specified goods or services – scrap, liquor, tendu leaves, minerals, motor vehicles, overseas remittances, tour packages – and deposited with the government, later adjustable in the buyer's ITR

Advance Tax

To be paid when total tax liability is more than Rs. 10,000

<u>Due Dates</u>	<u>Tax %</u>
Upto 15 th June	15%
Upto 15 th September	45%
Upto 15 th December	75%
Upto 15 th March	100%



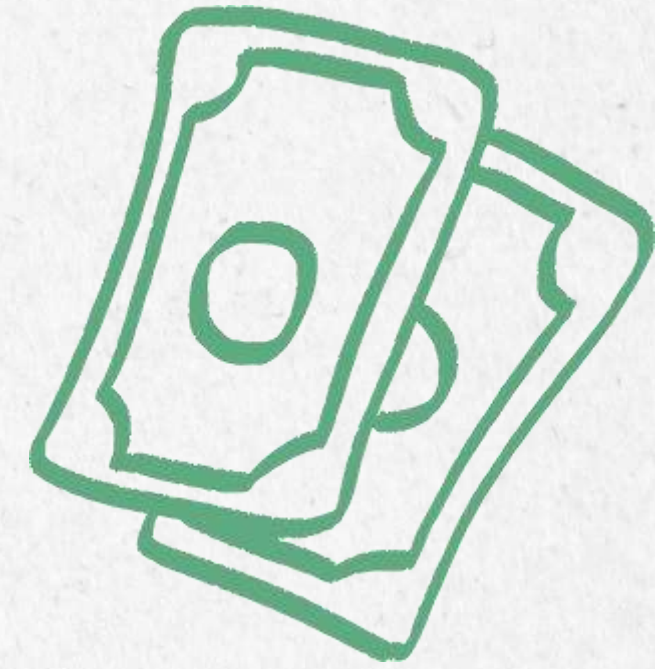
Income Tax Refund



Income Tax Refund is the amount returned by the Income Tax Department when tax paid exceeds the actual tax liability for a financial year. It arises due to excess TDS, advance tax, or incorrect income estimation, and is refunded to the taxpayer's bank account after ITR processing.

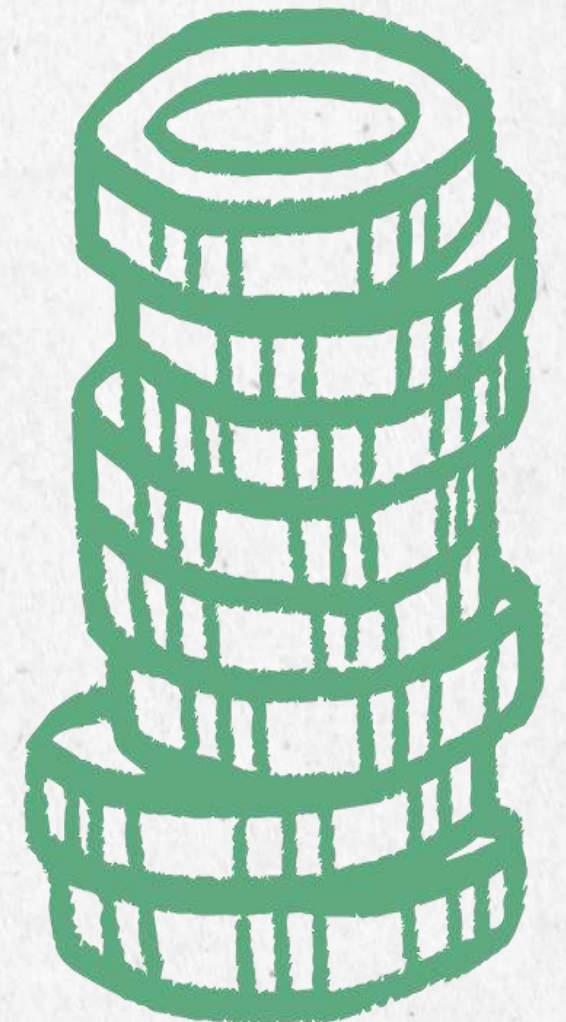


Tax Audit



A tax audit is an examination of business or professional's accounts to ensure that the income, expenses and tax related details are correctly maintained and reported as per the Income Tax Act, 1961

The three main forms that are used under tax audit are Form 3CA, Form 3CB & Form 3CD



The background is a solid green color with a subtle texture. It is decorated with various white line-art icons related to finance and business, including stacks of money, coins, a dollar sign, a calculator, a piggy bank, a bar chart, a hand holding coins, a credit card, and a stack of papers.

**Thank you
very much!**