

Tamil Nadu State Council for Higher Education (TANSCHÉ) Syllabus
For B.Com. (General) & B.Com. (Accounting & Finance)

INCOME TAX

LAW AND PRACTICE – I

Preeti Rani Mittal • Anshika Bansal

Assessment Year 2025-26



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as per

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Preface

We are pleased to introduce the first edition of *Income Tax Law and Practices – I*, a book specially designed for the students of Bachelor of Commerce (General) and Bachelor of Commerce (Accounting and Finance), in alignment with the Tamil Nadu State Council for Higher Education (TANSCHÉ) syllabus. This book has been developed to provide complete, clear, and up-to-date coverage of topics as per the university-prescribed syllabus, while also offering practical relevance and conceptual clarity.

Income Tax is an important area of study in commerce, management, and professional education. It not only holds academic significance but also affects the financial decisions of individuals, professionals, and businesses in everyday life. With tax laws constantly evolving through annual Finance Acts, circulars, and judicial interpretations, it becomes essential for students to have a reliable, structured, and simplified guide that presents these provisions in a meaningful manner.

This book focuses on building a strong foundation in the fundamentals of direct taxation, especially in the context of the Income-tax Act, 1961. The content has been updated as per the Finance Act, 2024, applicable for Assessment Year 2025–26, and includes all recent amendments, clarifications, and notifications relevant to the topics covered.

The chapters included in this volume are arranged in a logical sequence and cover the following core areas:

- Introduction to the Indian taxation system and basic definitions
- Residential status and determination of tax incidence
- Exempt incomes as per Section 10 and other provisions
- Income from salary
- Income from house property
- Profits and gains of business or profession
- Depreciation under Section 32
- Presumptive taxation schemes under Sections 44AD, 44ADA, and 44AE

These topics have been explained in a simple and easy-to-understand language, supported with legal references, practical illustrations, and updated provisions. The aim is not only to prepare students for university examinations but also to equip them with the knowledge required to handle tax-related matters in real life.

Each chapter is designed to offer:

- Clear explanation of legal provisions
- Solved practical illustrations 184 in number with step-by-step working
- Visual aids like figures and more than 56 tables for quick revision
- Objective questions such as 122 MCQs, 67 True/False, and 72 Fill in the Blanks
- Theory questions including 68 Long and 87 Short answers for academic practice
- Contains nearly 150 unsolved practical questions for self-assessment

We express our thanks to our parents, family members, and our loving Dipesh Mittal and Pranika Bansal. In this connection, Mr. Vikas Mittal and Mr. Ayush Bansal have contributed immensely in editing the contents of the Income Tax Law and deserve a special mention.

We offer our gratitude to our publisher Sultan Chand & Sons for doing an excellent job in bringing out this edition.

We hope that this volume meets the academic expectations of students and faculty alike and becomes a dependable companion throughout the course. We also welcome suggestions and constructive feedback from readers for improving the content and presentation in future editions.

Prof. Preeti Rani Mittal
Dr. Anshika Bansal



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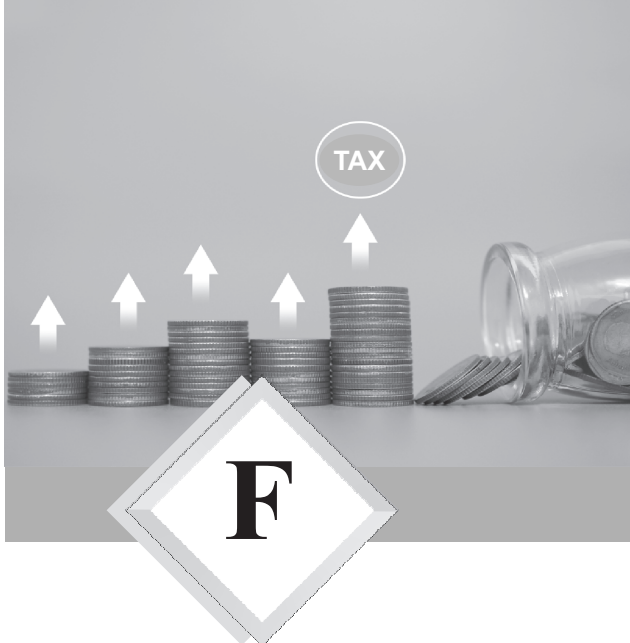
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Snapshot of the Book

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							Long Answers Questions	Short Answers Questions	Multiple Choice Questions	Fill in the Blanks	True & False	
Unit I – Introduction to Income Tax												
	1. Basic Concepts of Income Tax	1-33	34	6	5	9	13	16	20	17	12	4
	2. Income Exempt from Tax	35-58	24	2	–	4	5	6	16	10	9	2
Unit II – Residential Status												
	3. Residential Status	59-80	22	5	1	22	10	4	16	7	8	21
Unit III – Income From Salary												
	4. Income from Salary	81-180	100	13	2	64	13	17	20	8	9	50
Unit IV – Income From House Property												
	5. Income from House Property	181-238	58	3	5	38	9	12	15	8	10	33
Unit V – Profits and Gains from Business or Profession												
	6. Profit and Gains of Business or Profession	239-326	88	18	1	25	9	17	15	7	10	20
	7. Depreciation	327-354	28	2	1	14	6	10	10	10	9	8
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Total			380	56	15	184	68	87	122	72	67	145

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About the Book

- The First Edition of *Income Tax Law and Practice – I*, is specially designed for the students of Bachelor of Commerce (General) and Bachelor of Commerce in Accounting and Finance, in alignment with the Tamil Nadu State Council for Higher Education (TANSCHÉ) syllabus.
- The illustrations and questions have been structured throughout the book according to new tax regime u/s 115BAC along with old tax regime.
- Each topic is explained theoretically and is followed by graphs, tables, charts *etc.* to help in understanding the application of income tax law and provisions in a unique and simple way.
- This book contains abundant examples, illustrations and practical questions to clarify the theoretical and practical aspects of income tax law. These practical insights will assist tax consultants, students and anyone who is interested in the field of taxation in applying the law.
- As the nature of tax landscape is continuously to change, we are committed to updating this book to reflect the latest amendments. This book includes updates on amendments and changes as latest by Finance Act, 2023.
- Step-by-step guidelines on how to file income tax return and insertion of relevant case laws to understand how provisions have been interpreted by The Hon'ble Supreme Court is available in the book.

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