



UDES*H *REGULAR

FOR GROUP-1, MAY 2024

- Subject- Income Tax
- Chapter- Heads Of Income – PGBP
- Lecture No.-**01**

Recap of Previous Lecture



Topic

Prerequisites.

PHYSICS
WALLAH

Topics to be Covered



Topic

BASIS OF Charge
Section 30/31/32

PHYSICS
WALLAH

Topic: INTRODUCTION AND BASIS OF CHARGE



- BC
- RS
- Salary
- HP

Computation of Profit Income

Profit As per Books of Accounts -

+ Exp debited to P/L but **not allowed** as per
Income Tax eg Prov. for doubtful debt
eg excess depreciation debited -

- Exp allowed as per Income tax but not debited
to P/L (-)

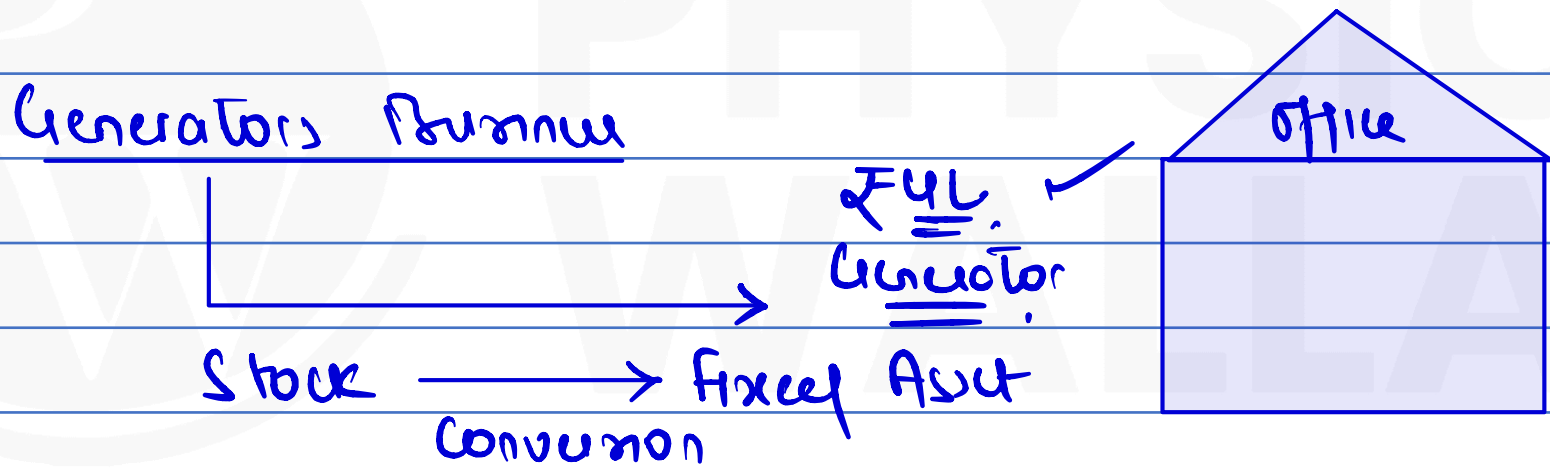
- Income credited to P/L but not covered u/H Profit (-)



+ Income covered up to full but not credited to P/L

Income up to full \longrightarrow

S.28 Basis of Change \Rightarrow Only for Knowledge = T.I = 14m.



Full FMV \Rightarrow Business Income



Jewellery Business

Gold Ring Personal Purpose

Stock $\xrightarrow{\quad}$ Capital Asset
 \downarrow

FMV \Rightarrow Business Income

5 MIN \Rightarrow 11:37 Resume

S. 30-36 :- Exp allowed to debited in P/L

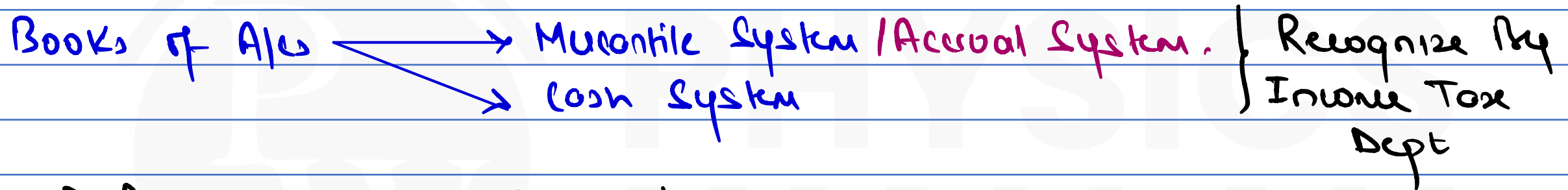
S. 37 :- General exp Not allowed up 30-36

S. 38 :- Exp incurred for Business As well As non-business purpose

S. 40/40A :- Exp NOT allowed to debiter M.M. Imp



S. 43B :- Exp allowed on Actual payment basis



Default Method ⇒ Mercantile System.

S. 30 → Exp. Related To Building

OWNED ⇒ Repair (Revenue Nature) / Insurance Premium / Municipal Taxes

Leasee ⇒ Rent / Repair (Rev. Nature) / Municipal Taxes.



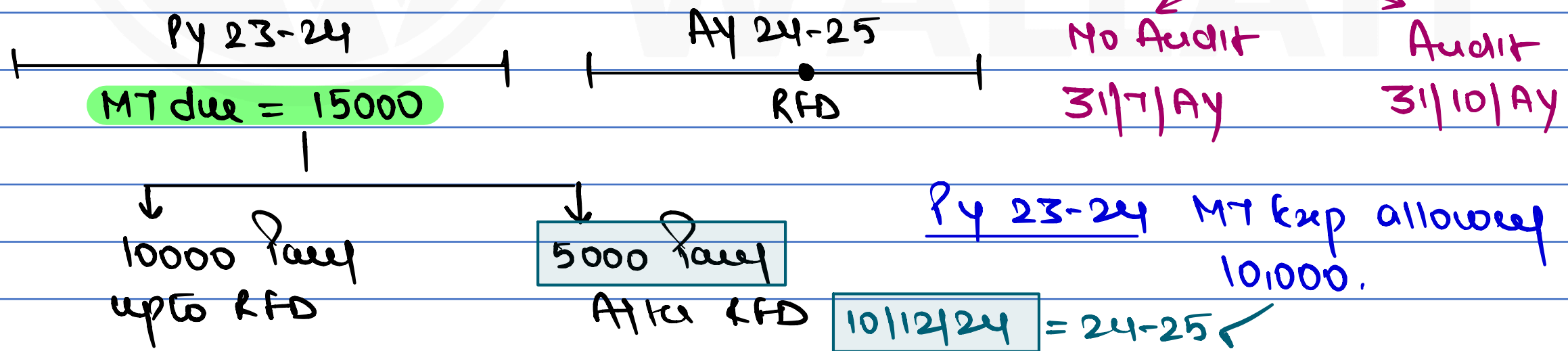
Note: 1) **Capitol Nature Repair** \Rightarrow Depreciation Allowance u/s 32

2) Dep of Building \Rightarrow Allowance, Not u/s 30 but u/s 32

3) **Owner of Building** \Rightarrow Notional Rent NOT allowed to debited

4) MT Exp allowance subj^d to S.43B.

S.43B \rightarrow Exp allowance if **Payment** upto **Return filing date**
 \rightarrow **Exp Notified** \rightarrow Municipal Taxes.





To M.T. taxes

15000

Profit As per Books 370000
 + MT Exp paid After
 RFD Disallowed 5000

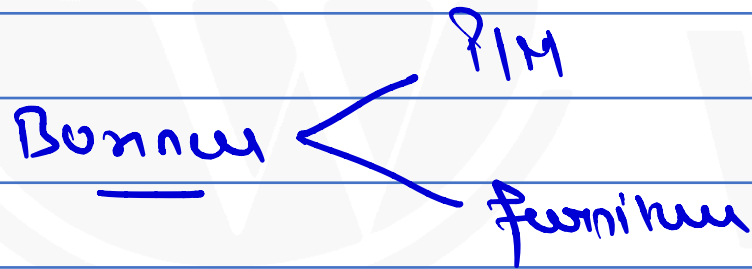
To MP

370000

375000

S.31

Repair/Insurance of PIM & furniture



Repair (Revenue) } S.31
 Insurance Prem. }

Owner

Dep u/s 32

Taken on Hire = lease Rent u/s 37.



Thank You

