

# Income from Other Sources

Any Income which is not Taxable under Salary, IFHP, PGBP or Capital gains, shall be chargeable under IFOs.

## Sec 56(2) Income Taxable under IFOs.

- Dividend.
- Winning from lotteries, Puzzles, card games etc.
- Interest on securities
- P&M on furniture with or without Bld.
- Any sum received under keyman insurance policy if not chargeable under PGBP or Salaries.
- Int received on compensation of compulsory acquisition of capital asset.
- gift.
- Other income Taxable under IFOs\*.

## Gift

- Employer  $\xrightarrow{\text{gift}}$  Employee Always taxable (even if received on marriage) under salary head.
- Any gift / benefit / perquisite arising from Business or profession - under PGBP head.
- Other gift: lets discuss Section 56(2)(x)

~~Any gift read~~



\*

- Amt received under family pension.
- Int on bank deposits & loan given.
- Int on Income Tax refund
- Income from sub-letting of house property.
- Royalty income
- Agricultural income (land outside India)
- Director setting fee
- Salary of MP/MHA/MLC etc.

Sec 56(2)(x)

Any gift recd./asset acquired for low consideration by Any person.

M.R.I.D.HU.TLA.I.T.C.\*

Sec 52(2)(x)

Not Applicable

Not Taxable

Otherwise

Money (without) consideration

If Aggregate Money > 50,000 then whole of money shall be Taxable

Movable property. (S.S.J.D.P.S.A.O.B.V)\*

Without consideration  
If Agg. FMV > ₹ 50,000 then entire FMV shall be Taxable

Inadequate consideration  
If Agg. (FMV - consid) > 50,000, then difference between FMV & consideration shall be Taxable.

Immovable property (land, Bld or Both)

Without consideration  
If per property, SDV > ₹ 50,000 then entire SDV shall be Taxable

Inadequate Consid..  
If per property  
a) (SDV - consid) > ₹ 50,000  
And  
b) SDV is more than 110% of consid.

then difference bet<sup>w</sup> SDV & consid. shall be Taxable.

- \*M - occasion of **Marriage**
- R - From any **Relative**
- I - under will or way of **Inheritance**
- D - In contemplation of **Death**
- H - From any **Hospital**
- U - From any **university** or educational institution
- T - From or by any **Trust** registered u/s 12AA/12AB
- LA - From any **Local Authority** u/s 10(20)
- I - From **Individual**
- T - by any fund, Trust, Hospital, Medical Inst, university, Edu. Institution u/s 10(23c)

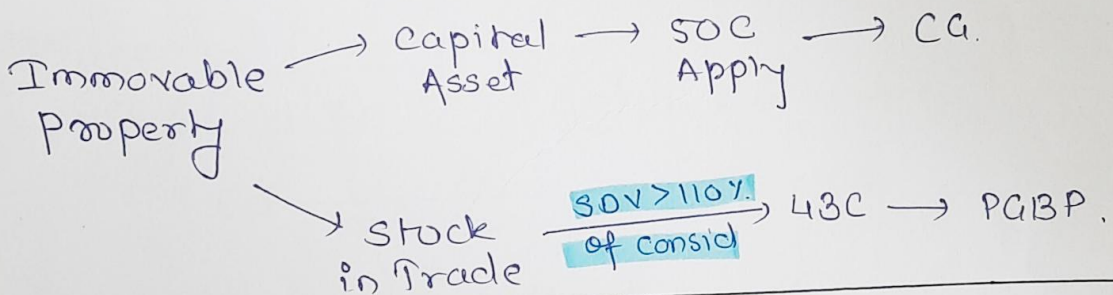
- \* S - Share & Securities
- J - Jewellery
- D - Drawing
- P - painting
- A - Archaeological collection
- S - Sculpture
- A - Any other work of art
- B - Bullion
- I - Immovable property
- V - virtual Digital Assets

Sec 56(2)(x) not applicable in following cases, Money recd:-

- 1) By Individual → Treatment of Covid-19
  - 2) Family member of deceased person.  $\xrightarrow{\text{money recd within 12 m of death.}}$  death due to Covid-19
- Money recd from decease person employer → No Limit
- from any other person → upto 10 Lakhs!

Note: if not satisfied by the value of SDV Trf the case to VO.  
if value increase → ignore  
decrease → take the value.

Sec 43CA: SDV shall be treated as Sale consid...



Sec 56(2)(viiib): share issued on premium

unlisted Co shares at Premium → sh. holder then,  
(Issue - FMT) Taxable in hands of company under ITOS.

## Sec 56(2)(xi) : Compensation on Termination of Employments.

### Sec 58 : Expense Not allowed as deduction under ITOs.

- personal expenses.
- Any interest or salary payable outside India on which TDS has not been paid or deducted.
- Cash expenditure exceeding ₹ 10,000. provision of Section 40A(3) shall Apply.
- expenditure on casual income.

### Dividend.

#### Sec 8 : Taxability & Dividend

- hands of shareholders.
- final dividend  $\xrightarrow{\text{in yrs}}$  declared at AGM.
- Deemed dividend  $\longrightarrow$  distribution/paid.
- Interim dividend  $\longrightarrow$  received by shareholder.

#### Deemed Dividend.

##### Sec 2(22)(a) : Any distribution of Asset

Co  $\xrightarrow[\text{acc accumulated profit}]{\text{Asset}}$  sh. holder

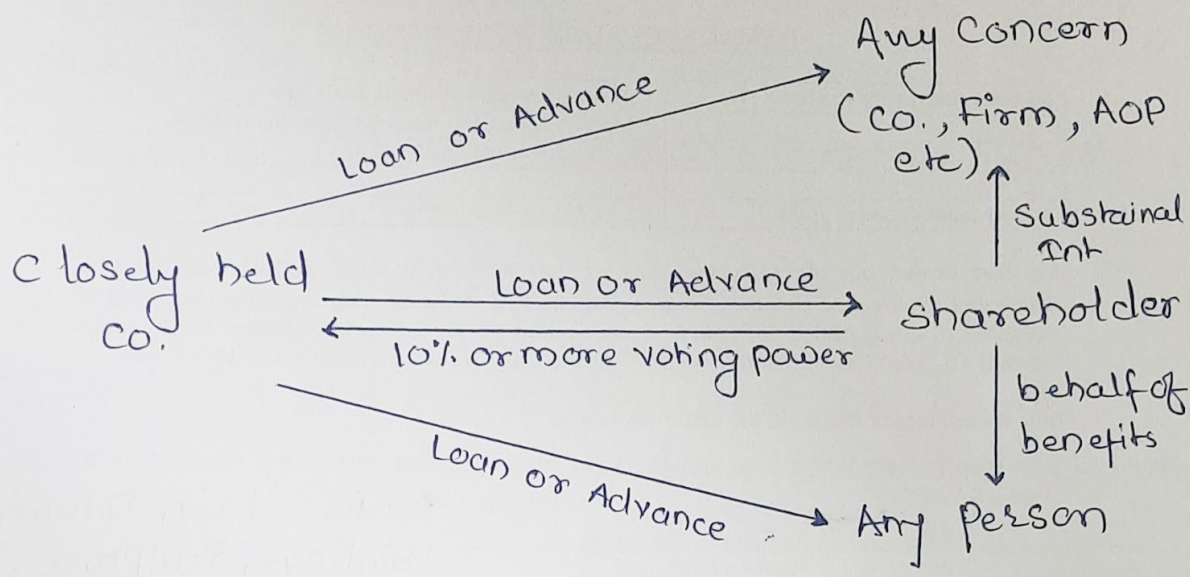
##### Sec 2(22)(b) : Any distribution of Debenture, deposit Certificate etc.

##### Sec 2(22)(c) : Distribution of Asset on liquidation.

chillar . co band hone par milne wala chillar paisa.

##### Sec 2(22)(d) : Reduction of sh. Capital.

Sec 2(22)(e) : Loans or advances by closely held co.



Exemption not available under 115BAC

- 10(32) - income of minor included in income of parents.
- 10(17) - Allowance of MP/MLA.

