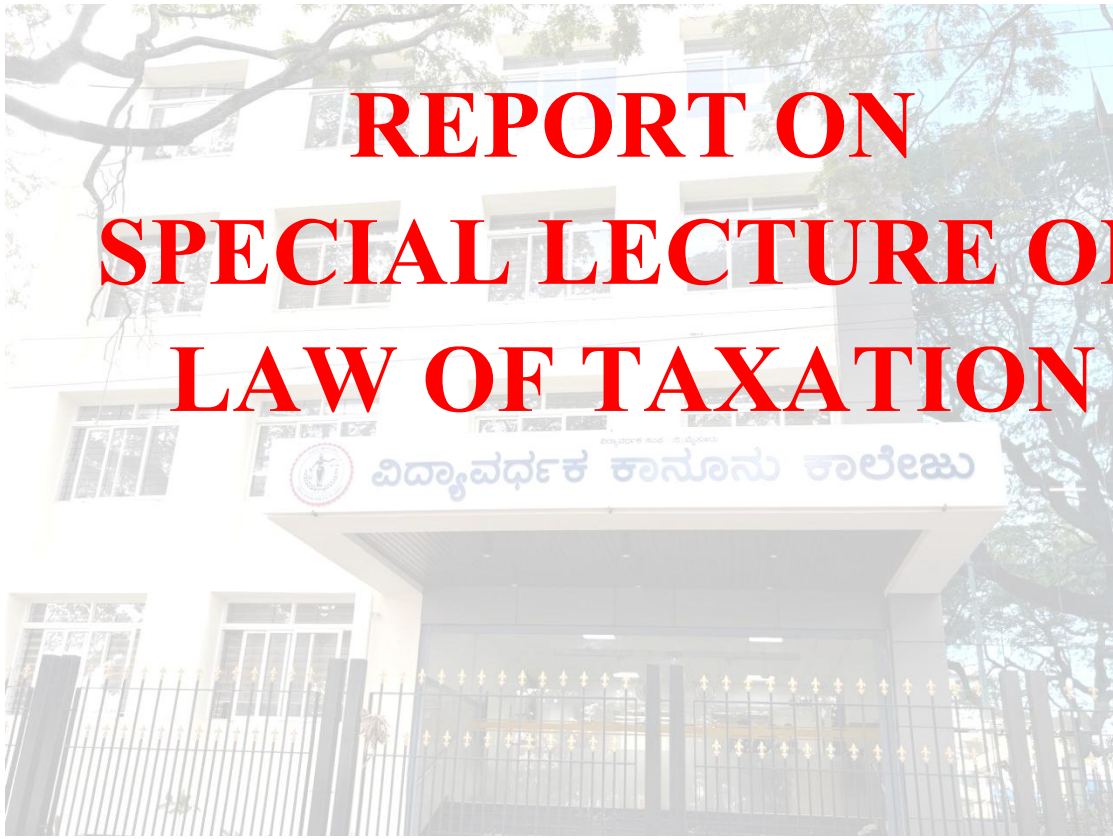




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REPORTED BY: SMT. LALITHA A
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Report of Special Lecture on Law of Taxation

A special lecture was organized on 26th of October 2024 on “Law of Taxation”. Sri. M C Sundara, Alumni of our college, Advocate and Auditor & Tax Consultant, Mysuru was the resource person. In this occasion, our principal Dr. Deepu P welcomed the resource person and gathering.



M C Sundara explained about the Indian Tax Law system and majorly about the Direct Tax in India. The word tax is based on the Latin word *taxo* which means to estimate. To tax means to impose a financial charge or other levy upon a taxpayer, an individual or legal entity, by a state or the functional equivalent of a state such that failure to pay is punishable by law. Income tax is one of the forms of direct taxes. Tax is the financial charge imposed by the government on income, commodity or activity. Income tax is one of the major source of revenue for the government. The responsibility for collection of income tax vests with the central government. Every year a budget is presented before the parliament by the finance minister. One of the important components of the budget is the finance bill. The bill contains various amendments such as the rates of income tax and other taxes. When the finance bill is approved by both the houses of parliament and receives the assent of president,

it becomes the finance Act. The income tax department is governed by central board of direct Tax (CBDT) and it is the part of the department of revenue under the ministry of finance, government of India.

The income tax structure in many jurisdictions, particularly in India, categorizes income into five distinct heads. Understanding these heads is essential for tax compliance and efficient financial planning. The five heads of income are: Income from Salary, Income from House Property, Profits and Gains of Business or Profession, Capital Gains, and Income from Other Sources. Each category has unique characteristics, tax implications, and rules governing them. This essay will delve into each head, examining its components, taxability, and relevant deductions, as well as the broader implications for individuals and businesses.





The eligibility for various tax deductions is subject to specific rules, income thresholds, and documentation requirements, which necessitate careful record-keeping and awareness of the latest tax regulations. For instance, taxpayers must decide whether to take the standard deduction or itemize their deductions, a choice that can significantly impact their

tax liability. Furthermore, understanding the limitations associated with certain deductions, such as caps on medical expenses or phased-out benefits for higher-income earners, is crucial for effective tax planning. Tax deductions also play a vital role in financial decision-making, influencing cash flow management, investment strategies, and philanthropic activities. However, common mistakes—such as overlooking potential deductions, inadequate documentation, and misunderstandings about eligibility—can hinder taxpayers from maximizing their benefits. Staying informed about changes in tax laws and actively engaging in tax planning can empower individuals and businesses to navigate the complexities of the tax system more effectively.

At last Sundara M C Sri concluded the Lecture by saying that five heads of income—Income from Salary, Income from House Property, Profits and Gains of Business or Profession, Capital Gains, and Income from Other Sources—form the foundation of the income tax structure in many jurisdictions. Each category has unique characteristics, tax implications, and rules governing them, highlighting the complexity of the tax system. Understanding these heads is crucial for effective tax planning and compliance. Taxpayers must be aware of the taxability of various income sources, the deductions available, and the specific regulations that govern their reporting. This knowledge empowers individuals and businesses to optimize their tax liabilities while ensuring compliance with tax laws. Furthermore, the broader implications of these income categories extend beyond individual tax liabilities. They influence investment behavior, housing markets, and overall economic activity. Policymakers must consider the impact of taxation on various income sources when designing tax policies, as these decisions can have significant consequences for economic growth and social equity.



The program concluded with the Vote of Thanks rendered by Smt Lalitha A, course teacher and co-ordinator. This programme was witnessed by II LL.B. (3years) and VI B.A., LL.B. (5 Years) Students

