

**CONFUSED ABOUT WHICH
SECTIONS TO MEMORIZE?**

INCOME TAX

Important Sections

May 2020
Finance Act 2019

CA KISHAN KUMAR

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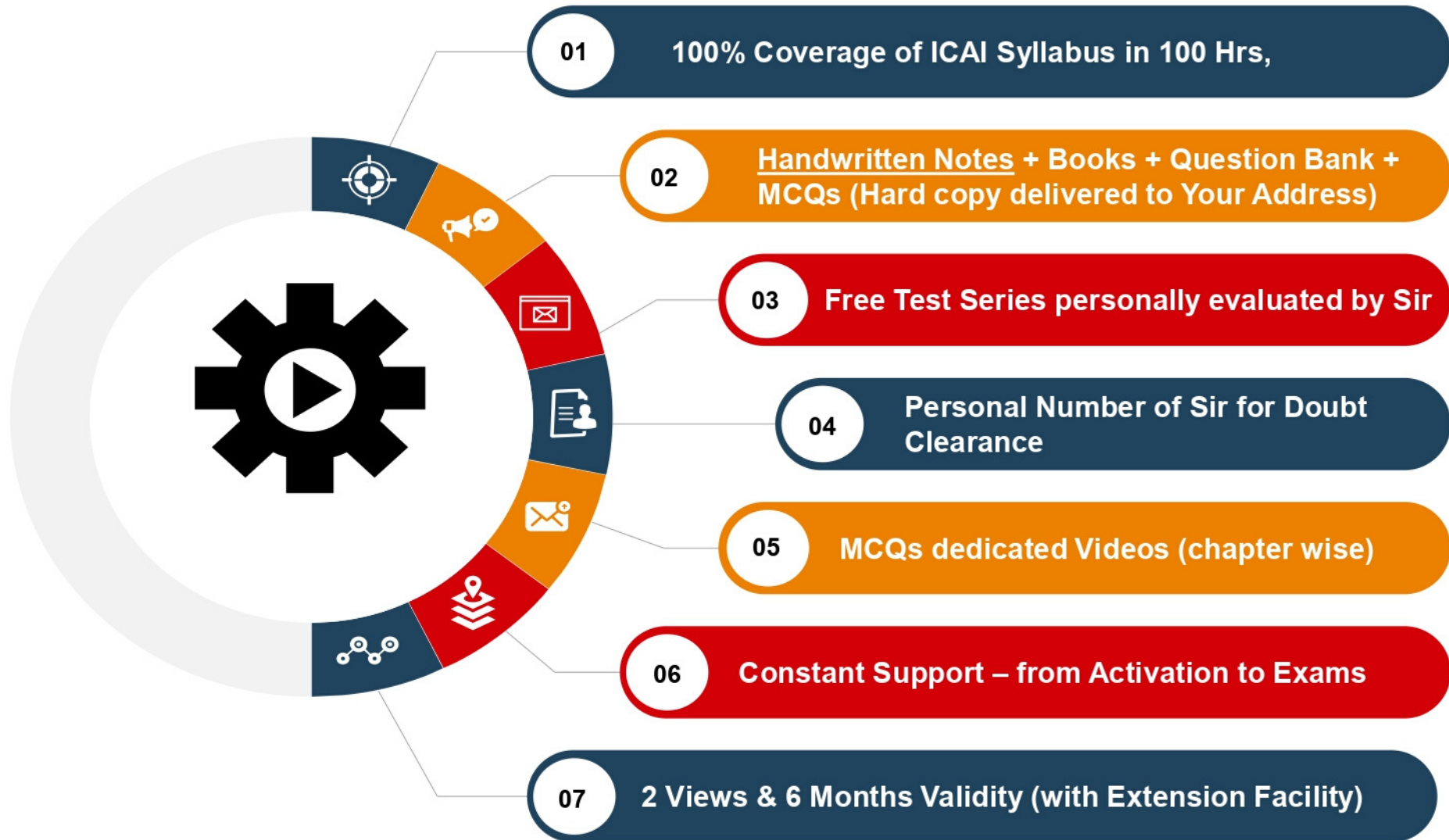
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Nov 2019

S No.	Name	Marks	Subject	Roll No
1.	Dharini Vasudevbbhai	77	Tax	672918
2.	Simran Chanchalani	77	Law	643358
3.	Shubham Jain	74	Tax	522455
4.	Simran Chanchalani	72	Tax	643358
5.	Abhishek Goyal	71	Law	646003
6.	Rahul Janwani	70	Tax	645229
7.	Abhishek Upadhay	68	Law	623116
8.	Aashish Maheshwari	65	Law	523306
9.	Foram Bhatt	64	Law	600909
10.	Rishikesh Kumar Singh	64	Law	644774
11.	Bhumika Juneja	63	Tax	548695
12.	Sonal Kumari	63	Tax	548695
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15.	Ashutosh Adlakha	61	Tax	634237
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18.	Vaibhav Saraf	61	Tax	616732
19.	Neeraj Kumar	61	Law	646008
20.	Manjunath	60	Law	579766
21.	Nallam Shashi Bhushan	60	Tax	522890
22.	Preeti	60	Tax	522890
23.	Pankaj Raghunath	60	Tax	686599

CONGRATULATIONS

Your Entitlement – Fast Track *May 2020*



Fast Track - May 2020

Taxation (100 Hrs) @ 4500

Law (80 Hrs) @ 3500

#ResultBoltaHai

Permanent Solution, No Regrets

CA Kishan Kumar (All India Rankholder)



INCOME TAX - IMPORTANT SECTIONS

(CA INTER/IPCC – MAY 2020)

Chapter	Section Number	Brief Description
Basic/Computation of Tax	2(7)	Definition of Assessee
	2(31)	Definition of Person
	2(9)	Definition of Assessment Year
	3	Definition of Previous Year
	87A	Rebate upto INR 12,500 allowed to Resident Individual if Total Income is upto 5,00,000.
	288A	Rounding off of Total Income to nearest 10
	288B	Rounding off of Tax Payable to nearest 10
	115JEE	Alternate Minimum Tax
	115JD	Credit for Alternate Minimum Tax
Residential status	6(1)	Residential Status of Individuals
	6(6)(a)	RoR/NoR in case of Individuals
	6(2)	Residential Status of HUF
	6(6)(b)	RoR/NoR in case of HUF
Incidence of Tax	5	Incidence of Tax or scope of Income
	9	Income Deemed to Accrue or Arise in India
Income from House Property	23(4)	Assessee having more than one Two house which are self-occupied (deemed to be let out property)
	23(5)	Taxability of Income from House Property held as stock-in-trade
	24(a)	Standard deduction @ 30% of NAV
	24(b)	Interest on borrowed capital in relation to House Property
	25A	Recovery of Unrealized Rent/Arrears of Rent deemed to be income of the PY in which it is received
	27	Deemed owner

Chapter	Section Number	Brief Description
Other Source	56	Incomes under Other Source viz. Gift, Family pension, interest etc.
	57	Deductions allowable under the head Other Source
	58	Amounts not deductible viz. personal expenditure and capital expenditure.
	Section 56(2)(x)	Taxability of Gift
	2(22) (c), (e)	Deemed Dividend
	10(15)	Interest income exempt from Tax
	115-O	Tax to be paid by domestic company on dividend distributed [effective rate – 21.17% of Dividend]
	10(34)	Dividend Income received from domestic company exempt from tax
	10(34A)	Income received from domestic company on buy back of shares exempt from tax
	10(35)	Income from mutual funds (interest + Dividend) exempt from tax
	115BB	Tax rate on Causal Income @ 30%
	115BBE	Undisclosed Income u/s 68, 69, 69A, 69B, 69C and 69D taxable at flat rate of 60% along with a surcharge of 25% and education cess @ 3%. Effective rate of tax comes to 77.25%.
	115BBDA	Tax on dividend from domestic company/ies exceeding 10 Lakhs @ 10% in case of Resident Shareholders (no adjustments/deductions, whatsoever)
PGBP	28	Incomes taxable under the head Profit and Gain from Business and Profession
	32	Depreciation of any kind viz. normal depreciation, additional depreciation etc.
	32AD	Investment Allowance (15%) for investment in Backward Region (Any Assessee, any amount)
	35	Scientific Research Expenditure [in house or donation]
	35AD	Specified Business [Investment linked incentive]
	35CCA	Donation to association and institutions for rural development programmes
	35CCC	Expenditure on agricultural extension project
	35CCD	Expenditure on skill development project
	35D	Allowability of preliminary expense to a Resident.
	37(1)	General revenue deductions related to business which have been neither allowed nor disallowed.
	40(a)(i)	100% disallowance in case of payment outside India or to a NR in India without TDS
	40(a)(ia)	30% disallowance in case of payment to a resident in India without TDS

Chapter	Section Number	Brief Description
	40A (3)	Disallowance in case of cash payment in excess of INR 10,000. Read with Rule 6DD (exceptions)
	40A (2)	Disallowance of excessive or unreasonable payment to relative/related person
	40(b)	Remuneration to partners
	43(1)	Actual Cost
	43B	Certain Deduction to Be Allowed Only on Actual Payment i.e. paid before due date of filing ROI.
	44AA	Compulsory Maintenance of Accounts
	44AB	Compulsory Tax Audit
	44AD	Presumptive taxation in case of Resident individual/Firm/HUF having business turnover upto 2 crores @ 8%. 6% in case of turnover received in Account payee cheque/draft or ECS upto due date of filing ROI.
	44ADA	Presumptive taxation in case of Resident having professional gross receipt upto 50 lakhs @ 50%
	44AE	Presumptive taxation in case of a GTA (having upto 10 goods carriage) Heavy Vehicles - @ 1,000 per tonne per vehicle pm or part of month Other Than Heavy Vehicles - @ 7,500 per vehicle pm or part of month
Capital Gains	2(14)	Meaning of Capital Asset
	2(47)	Meaning of Transfer
	55(1)	Meaning of “Cost of improvement”
	55(2)	Meaning of “Cost of acquisition”
	46A	Capital Gains on Buyback of Shares or Specified Securities
	47	Transfers not regarded as Transfer
	50	Capital gains in case of depreciable assets
	50B	Slump Sale
	50C	Full Value Consideration in Case of Land and Building shall be Stamp Duty value in case Stamp Duty value exceeds 105% of Actual Consideration
	50CA	Fair Market Value Deemed to Be Full Value of Consideration for Transfer of Unlisted Shares
	50D	Full Value Consideration in Case Of sale of asset whose value cannot be determined shall be FMV
	112	Tax on LTCG @ 20%

Chapter	Section Number	Brief Description
	112A	LTCG in excess of 1,00,000 on Transfer of Specified LTCA taxable @ 10% without Indexation.
	111A	Tax on STCG @ 15% arising from sale of STT paid equity shares or equity oriented mutual fund
	45(5A)	Capital Gain in case of Specified Agreement
	10(37)	Compulsory acquisition of urban agricultural land by CG/RBI exempt subject to conditions
	54	
	54B	
	54D	Refer Chart
	54EC	
	54F	
Advance Tax and Payment of Interest	234C	Interest (compensatory) for deferment in installments of advance tax
	234B	Interest (compensatory) for default in payment of advance tax
	234A	Interest (penal nature) for default in furnishing of Return of Income
	244A	Interest on refund
Tax Deduction at Source	192	TDS on Salary
	193	TDS on Interest on security
	194A	TDS on Interest on other than security
	194C	TDS on Payment to contractor or sub-contractor
	194DA	TDS on Payment on Maturity of Life Insurance Policy (Including Bonus Shares)
	194E	TDS on Payments to Non-Resident Association/Sportsman
	194H	TDS on commission/brokerage other than Insurance Commission (Principal - agent relationship)
	194I	TDS on Rent
	194IA	TDS on Purchase of Immovable Property Except Agro-Land
	194IB	TDS on Rent by Individuals or Hindu Undivided Family not subject to tax audit
	194IC	TDS on Payment under Specified Agreement

Chapter	Section Number	Brief Description
	194LA	Compensation on Compulsory Acquisition of Immovable Property Except Agro-Land
	194J	Professional service, Technical Services, Royalty and Director's remuneration
	194M	TDS on payment of contractors' Services, Commission and Professional Fees if it exceeds 50 lakhs.
	194N	TDS 2% if aggregate cash paid by Bank from one or more accounts exceeds INR 1 crore on withdrawals from Bank Account
	195	TDS on payments made to Non-Residents and Foreign Companies
	197	Deduction of Tax at Lower Rate
	197A	Self-Declaration for Non-Deduction of Tax at Source
	201	Consequences of Failure to Deduct or Pay TDS
	206AA	Requirement to furnish Permanent Account Number
	206C	Tax Collection at Source
Filing of Return of Income	139(1)	Normal Return filed within due date
	139(3)	Loss Return
	139(4)	Belated Return
	139(5)	Revised Return
	140	Verification of Return of Income
	140A	Self-Assessment Tax
Clubbing of Income	60	Transfer of Income without Transfer of Assets
	61	Revocable Transfer of Assets
	62	Irrevocable Transfer of Assets
	64(1)	Clubbing Provisions – Spouse
	64(1A)	Clubbing Provisions - Minor Child
	10(32)	Exemption of 1,500 per minor child whose income is clubbed
Set off and Carry Forward of Loss	70	Intra Head adjustments/set off
	71	Inter Head adjustments/set off
	72	Carry Forward & Set off of Business Losses
	80C	Deduction in respect of investment in NSC/PPF, bank fixed deposits etc.

Chapter	Section Number	Brief Description
Deductions	80CCC	Deduction in respect of contribution to certain pension funds [Jeevan Suraksha Policy from LIC]
	80CCD	Deduction in respect of contribution to New Pension Scheme by Employee
	80CCD (2)	Deduction in respect of contribution to New Pension Scheme by Employer
	80CCE	Overall limit of deduction u/s 80C, 80CCC and 80CCD restricted to INR 1,50,000
	80D	Deduction in respect of medical insurance premium
	80DD	Deduction in respect of maintenance including medical treatment of a dependent who is a person with disability
	80U	Deduction in respect of maintenance including medical treatment of a person with disability
	80DDB	Deduction in respect of medical treatment etc.
	80E	Deduction in respect of interest on loan taken for higher education
	80EEA	Deduction upto 1,50,000 in case of Payment of Interest on Loan Taken for acquisition of first Affordable Self-Occupied House Property by an Individual
	80EEB	Deduction upto 1,50,000 in case of Payment of Interest on Loan Taken for Purchase of first Electric Vehicle by an Individual
	80G	Deduction in respect of donation to certain funds, charitable institutions etc.
	80GGA	Deduction in respect of certain donations for scientific research or rural development
	80GGB/GGC	Deductions in case of donation to political parties by Indian Companies/others
	80JJAA	Deduction in respect of employment of new workmen
	80QQB	Deduction in respect of royalty income etc., of authors of certain books
	80TTA	Deduction upto 10,000 from interest on saving bank account
	80TTB	Deduction upto 50,000 in respect of Interest on Deposits in case of Resident Senior Citizens
	Salary Income	16(ia)
89		Relief in case of arrears of salary/advance salary
10(10)		Taxability of death – cum- retirement Gratuity
10(10A)		Taxability of Commuted Pension
10(13A)		Taxability of House Rent Allowance
17(2)		Taxability of Rent-Free Accommodation

Chapter	Section Number	Brief Description
	10(10CC)	Income tax paid by employer on non-monetary perquisites
Exempt Income (Not Covered Above)	10(1)	Agricultural Income
	10(10D)	Maturity proceeds of life policy if premium paid is within the prescribed limit.
	10AA	Units manufacturing in Special Economic Zone

Notes:

- ✦ The above is just an illustrative list of important Sections at the Inter/IPCC level.
- ✦ At least memorize the bold ones.
- ✦ Don't learn any other Section unless you are fully comfortable with the above sections.
- ✦ All Sections Newly Introduced by Finance Act 2019 or amended by Finance Act 2019 has colored background.

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Other Useful Links:

Income Tax Amendments for May 2020 <https://youtu.be/SbgxI8Yh-Jg>

GST Amendments for May 2020 <https://youtu.be/ZgD4BbLx2C4>

Taxation Fast Track Lecture 1 for May 2020 <https://youtu.be/iCSuCMniG94>

Alternate minimum Tax <https://youtu.be/pI3VDKtW93k>

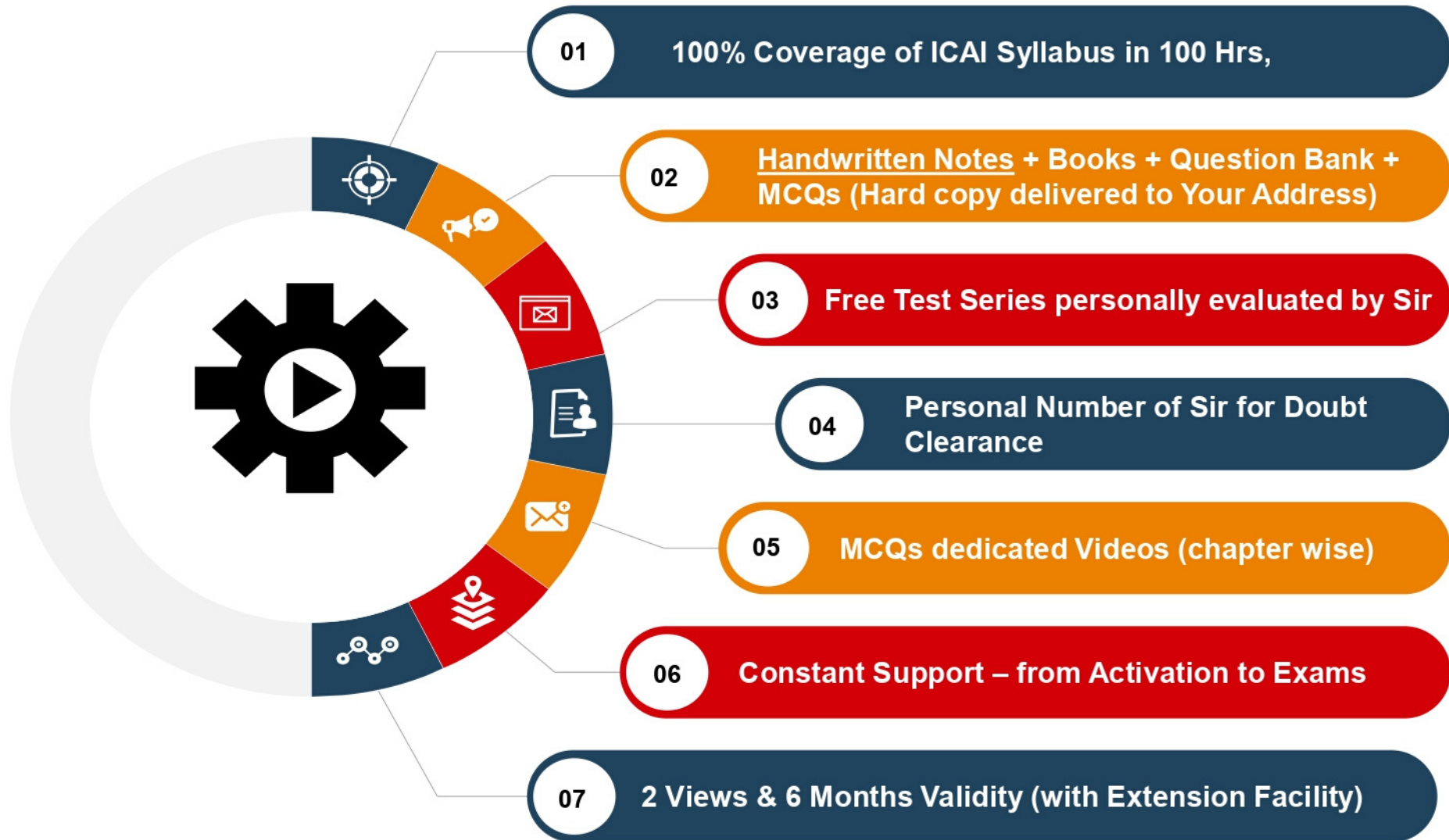
MCQ solving Tips & Tricks to Score More <https://youtu.be/bWsQi4F7kfy>

#MissionMay2020 Let's Rock it Guys. Let May 2020 be your last Attempt for CA Inter.

Cheers!!

CA Kishan Kumar (CA Rankholder, ex PwC, Chief Minister Awarded)

Your Entitlement – Fast Track *May 2020*





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23.	Pankaj Raghunath	60	Tax	686599

CONGRATULATIONS

#Quality Education Need Not be Expensive

CA KISHAN KUMAR

PROFILE

- All India Rankholder in CA Examinations
- Awarded by Shri Nitish Kumar, Chief Minister of Bihar
- Worked with Two Big 4s in the field of Taxation & Audit
- Certified GST Expert from "TaxSutra" & "IBL"
- Awarded by Nitish Kumar, Chief Minister of Bihar & University of New South Wales, Australia
- Helping Student by Telegram, App & **You Tube**

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CA-INTER/IPCC

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