

REPORT ON GUEST LECTURE

The Post Graduate Department of Commerce of Bishop Cotton Women's Christian College organized for a guest lecture on the topic Income Tax by Mrs. Sofia Banu in March 2021.

Sofia Banu currently works as a Senior Analyst at PayPal. The topic of the research was Income Tax and filing of returns, which is an important concept for students to learn. She started with a brief introduction on Income Tax as most of them are aware of the concept continuing with the explanation on Filing of Returns and its importance.

BISHOP COTTON WOMEN'S CHRISTIAN COLLEGE
Post Graduate Department of Commerce

Organised a Guest Lecture on
Income Tax

INCOME TAX

FILE TAX RETURN!

by
Sofia Banu
Senior Analyst at
PayPal

Taxes in India can be categorized as [direct and indirect taxes](#). Direct tax is a tax you pay on your income directly to the government. Indirect tax is a tax that somebody else collects on your behalf and pays to the government eg restaurants, theatres and e-commerce websites recover taxes from you on goods you purchase or a service you avail. This tax is, in turn, passed down to the government.

Direct Taxes are broadly classified as :

1. Income Tax – This is taxes an individual or a Hindu Undivided Family or any taxpayer other than companies, pay on the income received. The law prescribes the rate at which such income should be taxed

2. Corporate Tax – This is the tax that companies pay on the profits they make from their businesses. Here again, a specific rate of tax for corporates has been prescribed by the income tax laws of India.

Indirect taxes take many forms: service tax on restaurant bills and movie tickets, value-added tax or VAT on goods such as clothes and electronics. Goods and services tax, which has recently been introduced is a unified tax that has replaced all the indirect taxes that business owners have to deal with.

Taxpayers and Income Tax Slabs

Taxpayers in India, for the purpose of income tax includes:

- Individuals, Hindu Undivided Family (HUF), Association of Persons(AOP) and Body of Individuals (BOI)
- Firms
- Companies

Each of these taxpayers is taxed differently under the Indian income tax laws. While firms and Indian companies have a fixed rate of tax of 30% of profits, the individual, HUF, AOP and BOI taxpayers are taxed based on the income slab they fall under. People's incomes are grouped into blocks called tax brackets or tax slabs. And each tax slab has a different tax rate. In India, we have four tax brackets each with an increasing tax rate.

- Income earners of up to 2.5 lakhs
- Income earners of between 2.5 lakhs and 5 lakhs
- Income earners of between 5 lakhs and 10 lakhs
- Those earning more than Rs 10 lakhs

The lecture helped the students to understand the importance of filing returns which is very helpful for the students as they would be taking up jobs in the near future. It was a interactive session as students also clarified their doubts relating to the topic. It was also shown practically to students as to how to file returns as well. The session was very informative and useful to the students.