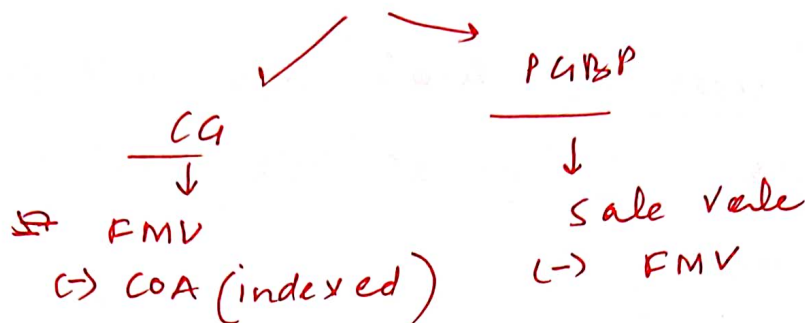


① Conversion of Capital asset into S13

2) It's transfer.



② Transfer of Capital asset as gift is not considered as transfer.

③ Transfer of CA on partition of HUF is not regarded as transfer.

④ Transfer by way of conversion of debts (or) bonds is not regarded as transfer.

⑤ Trans. of Reverse mortgage trans. under a Scheme is not considered as transfer.

⑥ Transfer of Sole proprietor business to company -

2) No transfer if following conditions are satisfied :-

① All assets & Liabilities have been transf.

new comp is not less than 50% and it continues

to remain as such for a period of 5 yrs

② sole proprietor does not receive any consd other than by way of allotment of shares.

→ If the year of Acqⁿ of concern is year of transfer of asset is same. No, Benefit of indexation.

But, if POH is taken ~~to~~ of previous owner, then indexation is availed.

① → Cost of Acqⁿ of Bonus shares before 1.4.2001 is FMV as on 1.4.2001.

② Rights

→ sale of Right → COA is NIL

↓
जिसको sale करे है

↓
उसका COA होगा → cost to comp
(+) cost paid to Mr. R.

③ Cost of Improvement before 1.4.2001 is not considered.

① sale of one (or) more capital assets from the block - sec 50. (B)

STCY @ when sale value > block value
all (or) some

STC LOSS (B) when all assets are transf @ value less than the block.

2) NO CG, if block continues to exist and some assets are sold @ lesser price.

②

Advance forfeited

Before
1.4.2014
↓
deducted from

After
↓
105.

- cost of asset
- FMV as on 1.4.2001
- WDV of depⁿ asset

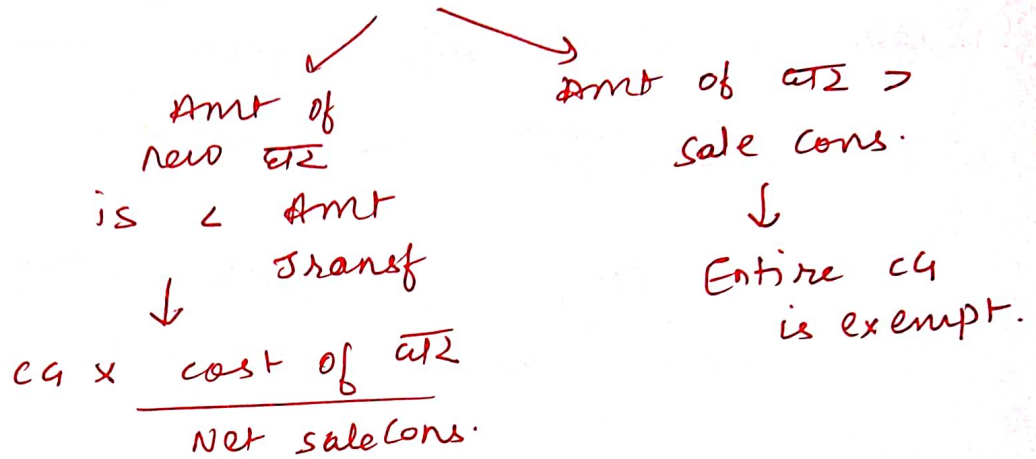
③ a) Compulsory Acqⁿ of urban Agri. land which is used for agriculture purpose for 8 years - NO capital gain - Exempt as 10(37)

o But, in case of sale out of own will, CG will be attracted.

o Only for Individual - Comp dti tax dti asset

① Exemption u/s 54D → Industrial und. के (4) L&B को बेचे और 3 सप्ताह के अन्दर नया L&B लिए

② 54F → (Long term asset बेच कर घर खरीदे)



③ 54GB - घर बेच कर shares खरीदे of Eligible startup and utilised this sum for -

$$\text{Exemption} = \text{CG} \times \frac{\text{sum utilised}}{\text{Net sale-cons.}}$$

④ 54 - CGI बेच कर घर खरीदे

1) New house within 2 yrs of trans.
 (or) 1 year before trans (or) constructed in 3 yrs.

2) if LSCG does not exceed 2 cr, we can buy claim exemption for 2 houses.

① Transfer of business into partnership ⑤
is transfer

① - where share assets of comp are distributed to SHs, it's not regarded as transfer in the hands of company.

② But, when SH receives some money (or) assets on the date of transfer it's considered for CG as reduced by amount of deemed dividend u/s 2(22)(e)

↓
this includes distribution to SH to the extent of accumulated profits.

② 544 → transfer of CA from urban area to Non Urban area

- Note → depⁿ assets म हमें STCG आता है
- Furniture का exemption नहीं मिलेगा u/s 544.
- Total Investment in new asset is first adjusted against STCG and then balance against LTCG.

① 54EC — NHAI & RECL www.studyfromno6.com
- Exemption only upto 50 Lakhs

② Conversion of CA into SIS

↓
Sale ✓
↳ COA
↳ Prop. cap G = $x \times \frac{x}{43}$ → sold already.

③ Slump Sale

Value of RA as per Income tax u/s
43(6) में।
a) Books of A/c द्वारा value में में

④ Sec 50C

Stamp Duty value Actual Consideration
higher.

Demerger

- ① Any transfer of cap. Asset by demerged comp to resulting comp is not transfer.
- ② Any issue of shares by Resulting comp to SIs of demerged comp is not regarded as transfer. No CA.

① sale of shares by SH's -

⑦

Tax Exemption

~~COA~~ SV
 (-) COA
 ↓

$$\frac{\text{COA} \times \text{Net Book Value of Asset}}{\% \text{ of demerged before demerger}}$$

- U/s 54F →
- U/s 54EE → invest in long term units of specified funds within 6 months

② Transf. of CA by holding comp to its 100% sub is exempt from tax.

↓
 If not feasible, comp can opt for demerger.

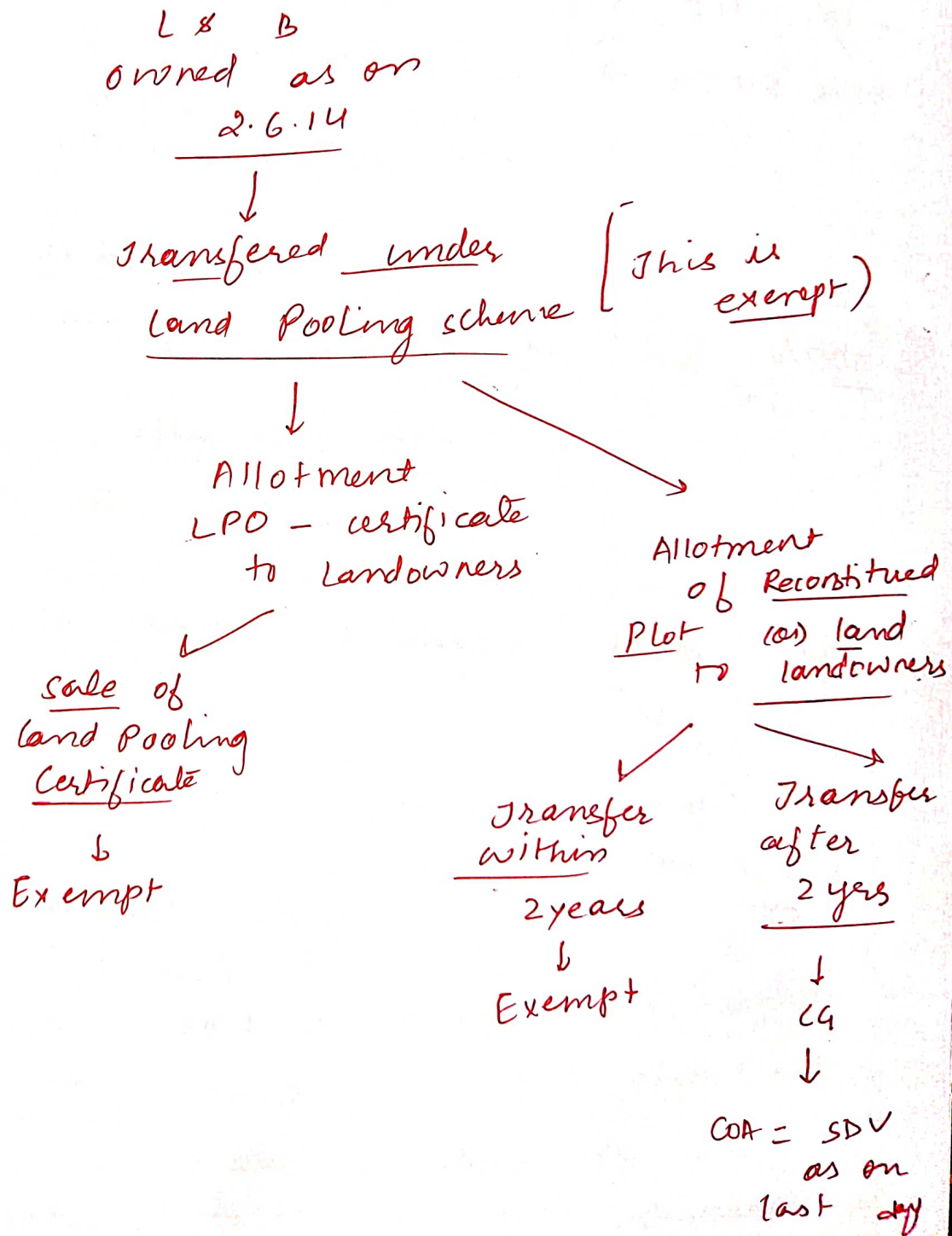
① shares acquired before 31.1.2018

COA
 ↙ higher → FMV (or) FVOC
 ↘ Actual cost → Lower.

shares are listed
 ↓
 Highest Trading Price is FMV

unlisted
 ↓
 Net asset value as on 31.1.2018 is FMV

- ① "Enhanced Comp - taxable as & when recd. ②
- ② Int on enhanced comp - 50% taxable in 10s.
- ③ SEC 10(37A) → Exemption to specified people of AP



① share / deb of Listed comp - 12 months
units of equity oriented MF

② share of unlisted comp - 24 months
Immovable prop.

③ Units of debt oriented - 36 m.
fund / Business etc

④ IDS, 2016 → FMV as on 1.6.2016
as deemed income
↓
Tax @ 45%

⑤ sec 111A → SJJ paid
LTCG @ 15%

⑥ sec 112 → LTCG @ 20%
↓
• listed shares other than RSE
• listed deb / Bonds sold.
↓
NR - No indexation - 10%

⑦ sec 112A - LTCG @ 10% on amt
exceeding 100000

SJJ must be paid

→ holding Eq. shares & Business trust as capital asset & not SJJ.

• listed shares sold on RSE.

www.studyfromnotes.com ①

Assessment of Various Entity

(A) MAS - Book Profit - 115 JB.

- Lower of unabsorbed depⁿ (or) Business Loss is deducted as per Books of A/c
- Provision for gratuity is based on actuarial valuation - so, not added back.
- Capital Gain ~~to~~ minus ~~to~~ ~~to~~
- Depⁿ - Books of A/c
- Withdrawal from Revaluation Reserve - (Minus ~~to~~)
 - Reval. amt (as) ~~to~~ Dep amt credited
 - lower

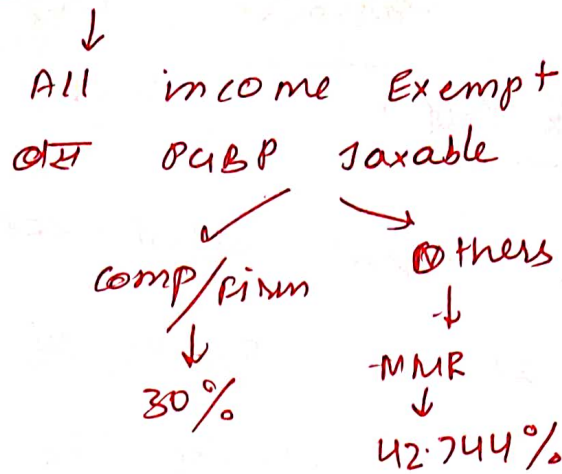
(B) Dividend - 115 - 0

Grossing up
225 @ 15%

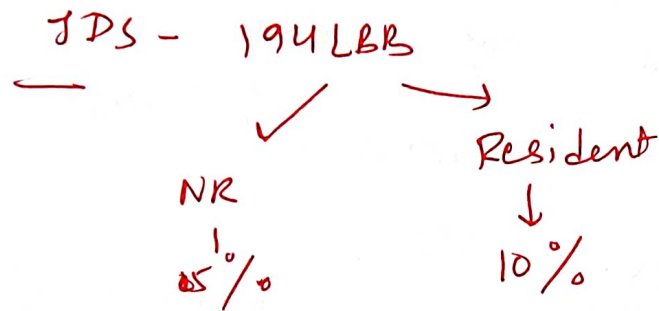
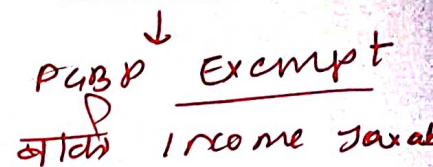
(C) - Buy Back

- Rate = 23.296%
- Additional Income tax should be paid on (or) before 15 days from the date of purchase
- Interest v/s ~~to~~ 115 QB for delayed Payment - 1% PM (or) part thereof.

① Investment Fund



unit holder ②



• Loss of PGBP can be set off against Income of IOS.

• Loss of CA can't be set off. It has to C/P.

② - No, AMS - If AGI is upto 20 lakh

③ HUF

- Cash gift from major son to HUF is not taxable in HUF. Not attract SB(2)(x).
- Partial Partition of HUF is not recognised.

① As per ICDS-II, closing stock is valued @ NRV in case of dissolved firm. (5)

② Firm $\xrightarrow{\text{Share}}$ Actual Remⁿ $\frac{10}{11}$ paid $\frac{1}{11}$ Add $\frac{10}{11}$

- Royalty - sec 40(b) is considered
- Tax deducted on 31st March must be deposited by 31st July
- Transfer of capital assets by firm to its partner is transfer and CG is attracted.

③ Audit - if t/o > 200000 - Due Date - 30th Sep.
80-I series को dedⁿ तभी मिलेगा जो due date तक Return सब फाइल है।

• Related Return में तब मिलेगा।

④ - 80I series वाले में Amt show करेगा $\frac{1}{11}$

⑤ → AOP income is exempt if share is known.
So, expⁿ on earning exempt income is not allowed as dedⁿ. Its Added back.

④ Sum provided for Income tax and loss of foreign subs. is added back. (u)

⑤ Compounding fee for violation of Binding norms - Add back.

⑥ Fee for delayed sub. of JDS - Allowed.

↓
But Added Back
in case of
IIS JB - MAS.

⑨ In case of MAS →

If the comp has application for CIRP

↓
Entire amt of B/R loss & unabsorbed depⁿ is allowed as dedⁿ

clubbing

① If amt is given as bona fied loan,
no clubbing.

② Given as Gift for Business

↓
Profit is apportioned.

③ Clubbing is attracted when transfer is made otherwise than for adequate cons.

④ Minor daughter Minor son

Exempt u/s 10(32) - 1500 = same.

⑤ Married daughter को Transfer tax है तो उसको consider नहीं करेंगे

⑥ share of profit from firm is exempt.

⑦ अगर major son को tax है - तो उसे (son) को tax में taxable होगा

105

① → $\frac{56(2)(x)}{105}$ - Excludes - any sum recd. from an ind. for trust from relative

② money (without cons) > 50000 - Entire amt

③ Movable Prop. (without) ^{if FMV} > 50000 - entire FMV

(Inadeq. cons.) - (cons - FMV) > 50000 - diff b/w cons & FMV

④ Immobile Prop. - (without cont) - if SDV > 50000 - Entire SDV

- (Inadeq. cons.) - (SDV - cons) > 50000 - Diff b/w SDV & cons.

AND SDV is more than 105% of cons. → Taxable.

Must be Capital Asset & not SIJ

⑤ → JV, Car, Wrist Watch, iPhone, Furniture
↓
Not property - Not taxable.

⑥ - sec 43CA → Immo. held as SIJ
↓
SDV > 105% of sale cons.
↓
Treated as FVOC.

⑦ Date of agreement is considered.

① Compensation from any person
other than employer on termination

↓
105

By employer

↓
salaries.

② ~~Issue Price~~ Issue Price > consider

↓
Issued @ Premium

↓
Tax under 105

[Issue Price - FMV]

③ Constituency Allowance is exempt u/s 10(37)