



DR. SNS RAJALAKSHMI COLLEGE OF ARTS AND SCIENCE  
(AUTONOMOUS)

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New Delhi and Affiliated to Bharathiyar University  
Coimbatore – 641 049.



DEPARTMENT OF COMMERCE WITH DIGITAL MARKETING AND DATA MINING

COURSE CODE : 19UCR406

COURSE TITLE : DIRECT TAX (INCOME TAX 2022 – 2023)

II YEAR - IV SEMESTER (EVEN)

UNIT I : INCOME TAX

TOPIC : INCOME TAX (INTRODUCTION)



# INCOME TAX



## Meaning

- A Direct Tax is a Tax that a person or organization pays Directly to the entity that imposed it.
- Examples include Income Tax, Real Property Tax, Personal Property Tax, and Taxes on Assets, all of which are paid by an individual taxpayer directly to the government.
- Income Tax, Corporation Tax, Property Tax, Inheritance Tax and Gift Tax are examples of Direct Tax.

## TYPES OF INCOME TAX

- DIRECT TAX
- IN-DIRECT TAX



# DIRECT TAX



## MEANING

- ❖ Direct Taxes are directly paid by those on whom it is imposed.
- ❖ For Instance, Taxpayers Directly pay Income Tax, Property Tax, Tax on Assets and Gifts to the Government.
- ❖ Examples of Indirect Taxes include **Sales Tax, Excise Tax, Value-Added Tax, and Tariffs.**
- ❖ **Customs Duty, Goods and Services Tax (GST), Excise Duties, Value Added Tax (VAT), Sales Tax** are some of the prominent indirect taxes applicable in India.
- ❖ Direct Taxes are imposed on the basis of individuals ability to pay principle, which says that those individuals or entities having access to more resources and earning a higher income need to pay higher taxes. The direct rules are framed such that taxes turn out to be a method to redistribute money in the country.



# IN-DIRECT TAX



- ❑ In simple words, GST is an indirect tax **Levied on the Supply of Goods and Services.**
- ❑ Currently, the types of GST in India are **CGST, SGST, and IGST.** This simple division helps distinguish between inter-state and intra-state supplies and mitigates indirect taxes. To learn more, read about these three different types of GST.
- ❑ **Different Types of GST Tax**
  - State Goods and Services Tax or SGST.
  - Central Goods and Services Tax or CGST.
  - Integrated Goods and Services Tax or IGST.`
  - Union Territory Goods and Services Tax (UGST).



Thank you!