



**RUKMINI DEVI**  
Institute of Advanced Studies

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  - Category 'A+' Institute
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## Workshop on Tax Planning and Investment Planning

Topic :	Workshop on Tax Planning and Investment Planning for students of MBA and BBA, by Shri R.N Lakhotia, Principal, Lakhotia College of Taxation and Management and also answers tax questions on ZEE BUSINESS T.V. Channel under "TAX DOCTOR", Shri Subash Lakhotia, Tax and Investment Consultant, "Tax Guru" on CNBC Awaaz
Date of event :	17 <sup>th</sup> October, 2012
Aim of the Event	<p>The session aimed at acquainting students with a step by step approach on reducing tax liability through legal tax planning and investment planning. It also aimed at discussing with students the basics of tax planning, explaining certain Income tax rules that are important and useful in managing investments. The session also highlighted certain legal methods of savings for example creating tax files for different family members and family trusts, by the way of HUFs and Limited Liability Partnership amongst many other methods.</p> <p>In the words of Mr. R.N Lakhotia, "Income tax saving by tax planning is not a myth but a certainty."</p>
Description of the event	<p>The session began with a warm welcome of all the invited guests, participants, staff members and students of RDIAS. This was followed by a lamp lighting ceremony for invoking the blessings of Goddess Saraswati. The welcome address was given by Shri K.C Garg, Chairman RDIAS.</p> <p>The workshop was conducted in two sessions- Technical session I and Technical session II. Technical session I was inaugurated by Mr. R.N Lakhotia, wherein he spoke about</p>

the objectives of tax saving and the utility of maintaining different types of Income tax files. Sir was successful in explaining important clauses of the Income tax Act while maintaining the interest of the students.

The session was further taken up by Mr. Subhash Lakhotia who spoke with students about the various “Vistas of tax planning and saving”. Various important tips were given for Investment Planning for tax saving like benefits of buying property jointly and various tax saving investments like zero coupon bonds, PPF accounts etc. Mr Lakhotia then shared MMIs-Money Making Ideas like investing in cheap agricultural land, buying property on loan and giving it on rent etc.

Technical Session II was conducted to explain the concept of Separate entity of HUF which is only created for Hindus and saving of income-tax by them. Different avenues of tax planning for salaried employees & practical implementation of the same were explained.

Tax Planning of perquisites in the form of residential accommodation, motor car and others were discussed. Income Tax rules related to medical expenses, provisions for reimbursement & tax treatment thereof leave travel assistance, educational expenses of employees, credit card payments, tax free allowances that will help the salaried class to manage their investments and ways of saving income tax legally were discussed.

A new concept of Limited Liability Partnership that came in 2008 was discussed where the company can evade themselves by paying Dividend Distribution tax and liability is limited to the extent of their respective contribution. All proprietor, partnership and Private Ltd can be converted to LLP. Students learned the difference between long-term and short-term capital gains, how to secure complete exemption from capital gains on house property, shares, jewellery and other assets. Special rules for transfers to relatives, how to

secure maximum deduction for long-term capital gains were also talked about.

In the end the concept of Will was discussed. Careful planning and knowledge is required for writing a will properly and registration of the will should be done with the Registrar Office. Income Tax file of the person can continue even after the death of the person.

This lecture has been a great value addition for everyone present on the occasion. Prof. Col (Retd.) Mahander Singh, Director General, RDIAS proposed a vote of thanks. The session ended with a rapid fire round of questions.

Students learned about specific rules of Income Tax which would be very helpful in Investment planning all throughout their life.