

INCOME EXEMPTED FROM TAX

Meaning and importance of residential status

The taxability of an individual in India depends upon his residential status in India for any particular financial year. The term residential status has been coined under the income tax laws of India and must not be confused with an individual's citizenship of India. An individual may be a citizen of India but may end up being a non-resident for a particular year. Similarly, a foreign citizen may end up being a resident of India for income tax purposes for a particular year.

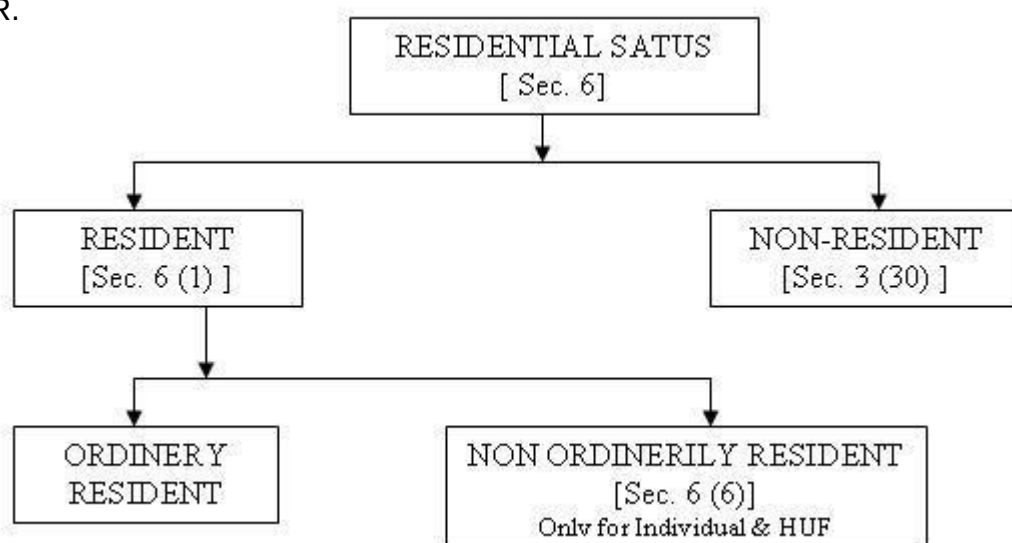
Also to note that the residential status of different types of persons via an individual, a firm, a company etc is determined differently in this article, we have discussed about how the residential status of an individual taxpayer can be determined for any particular financial year

How to determine residential status?

For the purpose of income tax in India, the income tax laws in India classify taxable persons as:

- A resident
- A resident not ordinarily resident (RNOR)
- A non-resident (NR)

The taxability differs for each of the above categories of taxpayers. Before we get into taxability, let us first understand how a taxpayer becomes a resident, an RNOR or and NR.



Resident

A taxpayer would be qualified as a resident of India if he satisfies any one of the following 2 conditions:

- Stay in India for a year is 182 days or more
- Stay in India for the immediately 4 preceding years is 365 days or more and 60 days or more in the relevant financial year

In the event an individual leaves India for employment during an FY, he will be qualified as a resident of India only if he stays in India for 182 days or more. else the condition (b) above 60 days will not apply to him

Resident Not Ordinarily Resident

If an individual qualifies as a resident, the next step is to determine if he/she is a Resident ordinarily resident (ROR) or an RNOR. He will be a ROR if he meets both the following conditions:

- Has been a resident of India For at least 2 out of 10 years immediately, For the previous years
- Has stayed in India for at least 730 days in 7 immediately after the preceding years

Therefore, if any individual fails to satisfy even one of the above conditions, he would be an RNOR.

Non-resident

An individual satisfying neither of the conditions stated in (a) or (b) above would be an NR for the year.

Taxability

Resident:

A resident will be charged to tax in India on his global income i.e. income earned in India as well as the income earned outside India.

NR and RNOR:

Their tax liability in India is restricted to the income they earn in India. They are not in need to pay any tax in India on their foreign income.

Also note that in case of double taxation of income where the same income is getting taxed in India as well as in abroad, one may resort to the Double Taxation Avoidance Agreement (DTAA) that India would have entered into with the other country in order to eliminate the possibility of paying taxes twice.

Scope of total income

Section -5 of Income Tax Act, 1961 provides Scope of total Income in case a person who is a resident, not an ordinarily resident in India and person who is a non-resident which includes. Income can be Income from any source which (a) is received or is deemed to be received in India in such year by or on behalf of such person; or (b) accrues or arises or is deemed to accrue or arise to him in India during such year; or (c) accrues or arises to him outside India during such year.

Table explaining Scope of total Income under section 5 of Income Tax Act, 1961

Sr . No	Particulars	Reside nt Ordinarily Reside nt (ROR)	Resident Ordinary Resident (RNOR) – 5(1)	Not Resident (NR)– 5(2)
1	Income received in India	Taxed	Taxed	Taxed
2	Income Deemed to be receive in India	Taxed	Taxed	Taxed

3	Income accrues or arises in India	Taxed	Taxed	Taxed
4	Income deemed to accrues or arises in India	Taxed	Taxed	Taxed
5	Income accrues or arises outside India	Taxed	NO	NO
6	Income accrues or arises outside India from business/profession controlled/set up in India	Taxed	Taxed	NO
7	Income Other than Above (No Relation In India)	Taxed	NO	NO

Note-

1. Residential status is as per section 6 of Income Tax Act, 1961.
2. Deemed income is not actually accrued but is supposed to be accrued notionally.
3. The income accrued is when the assessee obtains the rights to receive it.
4. Previous year means the financial year immediately preceding the assessment year.

INCOME FROM SALARY

Salary

Salary comes into existence as a result of employer-employee relationship. In a employer-employee relationship, employee performs his duties and the employer provides him salary.

Allowances

Allowances are part of salary given to employees to meet some particular requirements such as house rent, conveyance, etc. Allowances may be fully taxable, partially taxable or fully exempt.

House Rent Allowance [S. 10(13A) & Rule 2A]

The least of the following is exempt from tax:

- 50% of salary, (residential house situated at Mumbai, Kolkata, Delhi or Chennai) and 40% of salary where residential house is situated at any other place;
- Actual house rent allowance received by the employee;
- Excess of rent paid over 10% of salary

Leave Encashment [S. 10(10AA)]

Encashment of earned leave while in service will be treated as income. S. 17(1)(v)(a).

Encashment of earned leave on retirement would however, be exempt to the extent of least of:

- 10 months' salary calculated on the basis of last 10 months average salary or
- Rs. 3,00,000
- Amount equivalent to earned leave
- Actual amount paid by the employer

Entitlement of earned leave should not exceed 30 days for every year of actual service. Limits provided for aggregate maximum from any number of employers. Encashment of earned leave on retirement would be wholly exempt for employees of Central/State Government.

Special Allowances [S. 10(14)]

Following prescribed special allowances are exempt:

- Allowance, not in the nature of perquisite, granted to meet expenses wholly, necessarily and exclusively incurred in the performance of duties, to the extent to which actually incurred.
- Allowance granted to meet personal expense at the place where duties of his office are ordinarily performed or at the place where he ordinarily resides or to compensate for increased cost of living as may be prescribed in Rule 2BB.

Nature of allowance prescribed under Rule 2BB

- For cost of travel on tour or on transfer,
- For ordinary daily charges on account of absence from normal place of duty on tour or for journey in connection with transfer,
- For conveyance in performance of duties, where free conveyance is not provided,
- For expenditure on helper engaged for performance of office duties,

- For encouraging academic, research and training pursuits in educational and research institutions,
- For purchase or maintenance of uniform,
- Special Compensatory Allowance in specified areas to extent specified,
- Tribal Area Allowances in specified states up to Rs. 200 p.m.
- For meeting personal expenditure of employee of transport system running transport vehicle, up to 70% of allowance, maximum of Rs. 6,000 p.m., provided no daily allowance for the said duty is received.
- Children educational allowance @ Rs. 100 p.m. per child, maximum of two children,
- Children hostel allowance @ Rs. 300 p.m. per child, maximum of two children,
- Compensatory Field Area Allowance in specified areas, @ Rs. 2,600 p.m.
- Compensatory modified field area allowance @ Rs. 1,000 p.m.
- Counter insurgency allowance @ Rs. 3,900 p.m. to members of armed forces.
- Transport allowance (TA) granted to meet expenses for commuting between place of residence and place of duty is exempt up to Rs. 800 per month and TA received by blind or orthopedically handicapped is exempt up to Rs. 1,600 per month.
- Underground allowance granted to employee of underground coal mines: Rs. 800 per month.
- Special allowance in the nature of high altitude to members of armed forces: Rs. 1,060 per month for altitude of 9,000 to 15,000 ft. or Rs. 1,600 per month for altitude above 15,000 ft.
- Special compensatory highly active field area allowance to members of armed forces Rs. 4,200 per month.
- Island (duty) allowance to members of armed forces – Rs. 3,250/- per month.
- Perquisites
- Perquisites are benefits such as rent free accommodation, company's car, etc
- Perquisites may be provided in cash or in kind.
- Reimbursement of expenses incurred during office work is not a part of perquisites.
- Unauthorized benefits obtained do not form part of Perquisites
- Perquisites may be fully taxable, partially taxable or fully exempt.
- Fully and Partially Taxable Perquisites

Perquisites not taxable in all cases

The following perquisites are not taxable under CBDT instructions or by virtue of the Act/Rules:

- The provision of medical facilities as per Para 4(i).
- Free meals provided to all employees in office up to Rs. 50 per employee provided by the employer through paid vouchers usable at eating joints.
- Telephone including mobile phone provided to the employee.
- Perquisites allowed outside India by the Government to a citizen of India for rendering services outside India.
- Sum payable by an employer to pension or deferred annuity scheme.
- Employer's contribution to staff group insurance scheme.
- Actual travelling expenses paid/reimbursed for journeys undertaken for business purposes.
- Payment of annual premium on personal accident policy, if such policy is taken to safeguard the employer's interest. See *CIT vs. Lala Shri Dhar* (1922) 84 ITR 192 (Delhi).
- Rent-free official residence to a High Court or Supreme Court Judge.

- Rent-free furnished residence to official of Parliament.
- Conveyance facility to High Court/Supreme Court Judges.

Perquisites taxable in hands of all employees:

- Value of rent-free accommodation.
- Value of concession in rent.
- Amount paid by employer in respect of any obligation which otherwise would have been payable by employee.
- Value of any security or sweat equity shares allotted or transferred by employer/former employer as free or concessional cost.
- An amount of contribution to an approved superannuation fund by the employer, to an extent it excess Rs. 1, 00,000/-.
- Any sum payable either directly or through a fund by employer (other than recognized PF, approved superannuation fund etc.) to effect an assurance on the life of the employee or to affect a contract for an annuity.

Determination of the value of prescribed fringe benefit or amenityInterest free or concessional loan

Value of perquisite w.e.f. 1-4-2000, of the loan given to the employee or any member of his household shall be at the rates charged by State Bank of India in respect of the loans for the same purpose advanced by the employer, on the maximum outstanding monthly balance as reduced by interest actually paid by employee – However, perquisite value for loans (net of amount reimbursed under medical insurance scheme) given for medical treatment of specified disease or petty loans up to Rs. 20,000 is not taxable.

Use of movable assets

Value of benefit shall be 10% p.a. of the actual cost of asset or the rent charges paid by the employer as reduced by amount paid by the employee.

Transfer of movable assets

Value of benefit on transfer of movable asset shall be the actual cost of the asset to the employer as reduced by the amount calculated at 10% of such cost for each completed year of use by the employer and further reduced by the payments made by the employee. The normal wear and tear would be computed at 50% in case of computers and electronic items, and 20% in case of motor cars on the reducing balance method.

Perquisites taxable only in hands of specified employees

Other perquisites are taxable only in the hands of the following specified employees; i.e.,

- Director-employee
- Employee having substantial interest in employer-company
- Employee drawing salary in excess of Rs. 50,000

Rent free accommodation:

The rent free accommodation provided to employees by their employer is taxable. Since the employees are provided rent free accommodation, the amount of income accruing to them cannot be determined by them. Accordingly, there is prescribed manner for calculating income

chargeable to tax as perquisite. The manner of calculating income chargeable to tax as perquisite for rent free accommodation is as follows:

Category of Employees	Income	
	Unfurnished Accommodation	Furnished Accommodation
1) Provided to a Judge of High Court, Supreme Court 2) Provided to an Officer of Parliament	In case of Rent free Official Residence: Nil	In case of Rent Free Official Residence: Nil
Provided to Central/ State Government employees	(a) License fees determined by the Central/ State Government	(a) Same as Unfurnished Accommodation (b) 10% p.a. Of the cost of furniture If such furniture is hired, then hire charges payable.
Provided to any other employee		
1) Where the accommodation is owned by the employer	(i) 15% of salary in cities having population exceeding 25,00,000 (ii) 10% of salary in cities having population between 10,00,000 and 25,00,000 (iii) 7.5% of salary in other areas	(a) Same as Unfurnished Accommodation (b) 10% p.a. Of the cost of furniture If such furniture is hired, then hire charges payable.
2) Where the accommodation is taken on rent by the employer	Lower of the following: (i) Rent Payable Or (ii) 15% of salary	(a) Same as Unfurnished Accommodation (b) 10% p.a. Of the cost of furniture If such furniture is hired, then hire charges payable.
Accommodation provided in a hotel	Not Applicable since Hotel is presumed to be furnished.	Lower of the following: (i) 24% of salary (ii) Rent (Room Fare/ Charges) Payable

Concession in rent:

Some employers provide the employees with accommodation at rates lower than normal market rates. This reduction in rates is known as concession in rent.

Payment by the employer in respect of an obligation of employee:

In this case, the amount is liable to be paid by the employee and the employer pays the same.

Example: Self Assessment Tax of the employee is paid by the Employer.

Note: If the employer pays taxes on behalf of employees on non-monetary perquisites provided to them, then such taxes are exempt in the hands of the employee.

Valuation of benefit of provision of domestic servants

If the employee or any member of his household is provided with domestic servants such as sweeper, gardener, watchman or personal assistant then the benefits so received by the employee are taxable as perquisites in the hands of the employee.

Utility such as gas, electricity or water supplied by employer

If the employer pays to the utility provider on behalf of the employee or if the employer himself provides such utilities then the benefits so received by the employee are taxable as perquisites in the hands of the employee.

Free or concessional educational facilities

If the employer provides free or concessional educational facilities from the educational institutions maintained and owned by the employer or if free educational facilities are allowed in any other educational institution then the benefits so received by the employee are taxable as perquisites in the hands of the employee.

However, if the educational institution is maintained and owned by the employer and the employer provides free or concessional education facilities to the employee himself or his children and the benefits so received by the employee does not exceed Rs. 1,000/- per month then such amount shall not be taxable in the hands of the employee as perquisite.

Interest-free or concessional loan

The value of the benefit to the employee as a result of interest-free loan or concessional loan for any purpose provided to the employee or any member of his household is a taxable perquisite.

However, this perquisite will be not being chargeable to tax in any of the following cases:

- If such loan is provided for the purpose of treatment of diseases such as cancer, tuberculosis, etc. However, out of the amount of loan provided, if the employee receives reimbursement from any medical insurance scheme, then such amount shall not be exempt.
- Amount of loans made to an employee does not exceed Rs. 20,000/-.

Free or concessional food and non-alcoholic beverages

If the employer provides free or concessional food and/ or beverages such as tea, coffee etc., then the benefits so received by the employee are taxable as perquisites in the hands of the employee. However, if the following are provided by the employer then they are not taxable in the hands of employees as perquisites:

- Free food and beverages such as tea, coffee etc. provided by the employer to an employee during working hours at office or business premises less than Rs. 50/- per meal.
- Vouchers provided having value less than Rs. 50/- per meal
- Tea or Snacks provided during working hours
- Free food and beverages such as tea, coffee etc. provided during working hours provided in a remote area or an offshore installation.

Gifts or Vouchers

Gift or vouchers received by employees or by member of his household on ceremonies or occasions are taxable perquisites in the hands of the employees. However, if the value of such gifts in totality does not exceed Rs. 5,000/- then such gifts are not taxable as perquisite in the hands of the employees.

Reimbursement of credit card expenses

If the employer reimburses expenses incurred by the employee or any member of his household using a Credit card then the benefits so received by the employee are taxable as perquisites in the hands of the employee.

However, if such expenses are made by the employee exclusively for official purposes and the employer has documented the expenses incurred using the credit card then such reimbursements are not taxable as perquisite in the hands of the employees.

Club expenditure

If the employer pays or reimburses for the periodic subscription of a club for the employee or any member of his household then the benefits so received by the employee are taxable as perquisites in the hands of the employee.

However, if the following are provided by the employer then they are not taxable in the hands of employees as perquisites:

- If the use of health club, sports and such facilities are provided uniformly to all employees by the employer.
- Such expenditure is incurred wholly and exclusively for business purposes and if the expenditure is properly documented by the employer.

Gratuity

Gratuity is a payment received by an employee by his employer as a gratitude for the employee's services to the organization. It is over & above normal salary & other retirement benefits received by an employee.

Taxability of Gratuity

Pension

Pension means the employer provides to the employee a fixed monthly amount after his retirement in consideration of past services. Pension can also be called as annuity.

There are 2 types of pension:**Uncommuted Pension:**

The employer provides the employee with monthly pension till the lifetime of the employee starting post retirement.

Example: Manish worked for a company for past 20 years. After retirement the company pays him Rs. 5,000/- per month in appreciation of his past services to the company.

Commuted Pension:

The employee may request his employer to pay him a lump sum amount of money on retirement rather than providing a monthly amount. The employee can even request that out of the monthly pension, a certain part lets say 50% be given to him on retirement as a lump sum amount and receive the balance part monthly post retirement. This is known as commuted pension.

Example: Manish worked for a company for past 20 years. After retirement the company pays him Rs. 5,000/- per month in appreciation of his past services to the company. Now, Manish request the Company that instead of Rs. 5,000/- per month, he requires the entire amount post his retirement itself. This is a case of commuted pension.

Provident Fund

It is a savings scheme wherein a person saves a certain amount of money every year and receives the cumulative amount of money on retirement. There are various types of Provident Funds. They are as follows:

Public Provident Fund (PPF):

It is an account which may be opened from a nationalized bank. Only individual can open such PPF Accounts with annual contributions as low as Rs. 500/-.

Statutory Provident Fund:

This is applicable only to individuals employed with the Government, railways or all recognized educational institutions. The Government and the employee contribute a certain portion of the employee's salary to this fund monthly.

Recognized Provident Fund:

If the Provident Fund is approved by the Commissioner of Income-tax, it is known as Recognized Provident Fund. In recognized provident fund the employer and the employee contribute a certain portion of the salary of the employee to the fund.

Unrecognized Provident Fund:

A fund, which is not recognized by Income Tax Authorities, in which the employer and the employee contribute a certain portion of the salary of the employee, is an Unrecognized Provident Fund.

Taxability of Provident Fund Public Provident Fund:

The amount of Contribution made to PPF in a Financial Year is allowed as Deduction U/s 80C subject to specified conditions. The amount of interest accrued is exempt from tax. If the amounts are withdrawn from PPF in specified manner then such withdrawals are also exempt from tax.

Statutory Provident Fund:

The amount of Contribution made by the Government is exempt from tax. Employee's contribution to Statutory Provident Fund is allowed as Deduction U/s 80C subject to specified conditions. The amount of interest accrued is exempt from tax. The amount received on retirement out of such fund is exempt from tax.

Recognized Provident Fund:

It is a fund, which is recognized by the commissioner of income tax. This type of fund is maintained by business houses, industrial undertakings and banks. Under this fund both employee and employer will contribute. Employee's contribution qualifies for deduction u/s 80C. Employer's contribution over 12% of mentioned salary is taxable. Interest is exempted up to 9.5%

Unrecognized Provident Fund:

The amount of contribution made by the employer is not taxable in the hands of the employee during the years when such amounts are being contributed. Employee's contribution to Unrecognized Provident Fund is not allowed as deduction. The amount of interest accrued is not taxable in the year of accrual. The amount received on retirement out of such fund is required to be bifurcated in 4 categories in order to understand its taxability.

SIMPLE FORMAT TO COMPUTE SALARY INCOME

Basic items		***
1. Basic salary/wages/remuneration/pay		***
2. Special pay		***
3. Bonus		***
4. Fees		***
5. Commission		***
6. Advance salary		***
7. Arrear salary		***
Allowances		
1. Fully taxable allowance		***
2. Partly taxable/partly exempted allowances		***
3. Fully exempted allowances		Nil
Perquisites		
1. Taxable for all (specified and unspecified)		***
2. Taxable for specified employees only		***
3. Exempted for all (specified and unspecified)		Nil
Special items		
1. Gratuity		***
2. Pension		***
3. Leave encashment		***

4.	Provident fund		
Gross salary			***
Deduction u/s 16			
(i)	Standard deduction-(limit 40,000)	***	
(ii)	Entertainment allowance	***	
(iii)	Professional/employment tax	***	***
Income from salary			***

INCOME FROM HOUSE PROPERTY

Basic of charge

Annual value of any property is assessable under this head it,

- Assessee is the owner of the property.
- Property is building and attached land.
- Property should not be used by the owner for his business or profession.

Incomes - Exempted from 'House Property Income'

Under section 10 of the Income-tax Act 1961 following incomes from house property are exempted from tax. These incomes are not to be included in the total income of assessee. Hence no tax is payable on such incomes. These incomes are:

Agricultural House Property [Section 2(1)(c)].

Income from such house property which is situated on or in the immediate vicinity of agricultural land which is used for agricultural purposes by cultivator is exempted from tax.

Income from Property held under Trust Wholly for Charitable or Religious Purposes [Section 11(1)(a)]:

Income derived from property held under trust, wholly for charitable and religious purposes, shall be exempt. To the extent such income is applied in India for such purposes; and where any such income is accumulated or set apart for application to such purposes in India, to the extent to which the income so accumulated or set apart is not in excess of 15% of the income from such property.

Income from Property held under trust which is applied in part only for Charitable or Religious purposes [Section 11(1)(b)]:

Income derived from property held under trust in part only for such purpose, shall be exempt: To the extent such income is applied in India for such purposes, provided, the trust in question is created before the commencement of Income-tax Act, 1961 i.e. before 1.4.1962; and where any such income is finally set apart for application to such purposes in India, to the extent to which the income so accumulated or set apart is not in excess of 15% of the income from such property.

Income from Property held under trust which is applied for Charitable Purposes outside India [Section 11(1)(c)]:

Income derived from property held under trust, created on or after 1.4.1952 for charitable purpose which tends to promote international welfare in which India is interested, shall be exempt to the extent to which such income is applied to such purpose outside India. Religious trusts are not covered here.

Income derived from property held under a trust for charitable or religious purposes, created before 1.4.1952, shall be exempt to the extent to which such income is applied to such purposes outside India.

In the above two cases, it is necessary that the Board, by general or special order, has directed in either case that it shall not be included in the total income of the person in receipt of such income.

Self-Occupied but Vacant House [Section 23(3)]

In case an assessee keeps one of his own houses reserved for self-occupation but is living in a rented house elsewhere due to his employment or profession the income from such house is taken to be NIL.

The annual value of self-occupied house shall not be NIL:

If such house or part of the house is actually let during the whole or any part of the previous year; or

Any other benefit there from is derived by the owner from such house.

In the above cases, the annual value shall be determined as per provisions applicable for let out properties i.e. under clause (a), (b) or (c) of section 23(1).

House used for Own Business or Profession.

There is no income chargeable to tax under this head from such house property.

Property held by Registered Trade Union [Section 10(24)].

Income from a house property owned by a registered trade union is not to be included in its G.T.I.

Income from House Property held by following shall be exempted:

- House property held by a local authority.
- House property held by a scientific research institution.
- House property held at a political party.
- House property held by a university and any other educational institution working for spreading education and not to earn profit.
- House property held by a hospital or medical institution working for the spreading of medical services to people and is not meant for earning profit.
- It is income from a farmhouse.

One House Property (a palace) owned by a former ruler of Indian states.

Ex-rulers of Indian states may own many palaces but only one palace of their choice shall be treated as a self-occupied house and shall be exempted.

One Self-Occupied House

In case assessed owns one residential house, the net annual value of the same shall be taken as nil but in case he owns more than one house, then only one of his choice but normally of higher value shall be treated as a self-occupied one and other/others are treated as deemed to be let out.

Income from house property specimen / important provisions For self-occupied:

Gross Annual Value(GAV)/ Annual Rental Value(ARV)		Nil
Less: Municipal tax paid during the year by the owner		Nil
Net Annual Value(NAV)		Nil
Less: Deduction u/s 24		
(i) Standard deduction-not applicable	***	***
(ii) Interest on loan of pre-construction	***	***
Loss from house property		***

Overall chart for computation of house property income For letout property:

(i) Municipal value (or) Fair Rent (whichever is higher)		
(ii) Expected Rent (or) Standard Rent (whichever is lower)		
(iii) Expected Rent (or) Actual Rent (whichever is higher)	***	
Gross Annual Value		***
Less:		
(iv) Local taxes (or) Municipal taxes paid by the Owner during the previous year	***	
(v) Unrealized rent conditions of rule 4 are satisfied	***	***
Annual value		***
Less: Deduction u/s 24		
(i) 30% of Annual value	***	
(ii) Interest on borrowed capital-paid or due	***	***
Income from House Property		***

INCOME FROM BUSINESS OR PROFESSION

Introduction

Provision regarding calculation of profits and gains of business or profession is dealt under section 28 to 44 of income tax act 1961. This head of the act is a major source of revenue to the government.

Business [section 2(13)]

Definition of "Business" includes any trade, commerce or manufacture or any venture or concern in the nature of trade, commerce or manufacture.

Profession [section 2(36)]

Profession involves an exercise of intellect and skill based on learning and experience. Vocation refers to any work performed on the strength of one's natural ability for the work. Regularity and profit motive are not necessary for an activity to be called a vocation.

OVER ALL CHAT FOR CALCULATION OF INCOME FROM BUSINESS

Particulars	Amount	Amount
Net profit as per P & L A/c		****
Add:		
1.Disallowed Expenses		****
2.Business Income not credited in P & L A/c		****
3.Under valuation of closing stock		****
4.Over valuation of opening stock		****
Less:		
1.Non business income credited in P & L A/c	****	
2.Allowed expenses not debited in P & L A/c	****	
3.Over valuation of closing stock	****	
4.Under valuation of opening stock	****	****
Income From Business		****

**OVER ALL FORMAT FOR PROFESSIONALS LIKE DOCTORS, LAWYERS,
ACCOUNTANTS, TAX CONSULTANTS.**

Particulars	Amount	Amount
PROFESSIONAL INCOMES:		
1.Fees [for all professional]		****
2.Operation fees, Visiting fees [for doctors]		****
3.Institute fees [for accountants]		****
4.Legal fee, practicing fees [for lawyers]		****
5.Gift from clients [for all professionals]		****
6.Gift from patients [for doctors]		****
7.Examiner fees [for all professional]		****
8.All other professional receipts		****
Less:		
PROFESSIONAL EXPENSES:		
1. Office and administrative expenses [for all professionals]	****	
2. Clinic expenses and dispensary expenses [for doctors]	****	
3. Cost of books for professional purposes. [for all professionals]	****	
4. Subscription for journals. [for all professionals]	****	
5.Depreciation	****	
a) For office equipments (for all professional)		
b) For surgical equipments (for doctors)		
6.Any membership fee (for all professionals)	****	
7.Cost of medicine [for doctors]	****	
[opening stock +purchases-closing stock]		****
8.All other professional payments	****	
Income From Profession		****

