

Course Name – Income Tax Litigation

Objective:

India is one of the most litigious countries in the world in tax matters, with over ₹20 lakh crore stuck in litigation. While this presents an unpleasant picture of the state of the judicial system, it also offers a significant opportunity for tax professionals equipped with the right skillset to work in the field of direct taxes. This course aims to bridge the gap between theoretical knowledge and practical application by training students to practice before Indian courts and tax tribunals. By addressing the limitations of the core Taxation curriculum and focusing on real-world scenarios, the following topics will be covered in depth:

Module 1 – Income Tax Authorities

- 1.1. Power of Discovery
- 1.2. Production of Evidence
- 1.3. Cognizance of Offence
- 1.4. Appeals and Revision
- 1.5. The Income Tax Appellate Tribunal (ITAT)
- 1.6. Appeals to High Court
- 1.7. Appeals to Supreme Court

Module 2 - Procedure for Assessment

- 2.1. Filing of Return
- 2.2. Self-Assessment and Faceless Assessment
- 2.3. Notice
- 2.4. Income Escaping Assessment and Reopening of Assessment
- 2.5. Reassessment

Module 3 – Search, Seizure, Collection and Recovery

- 3.1. Special Procedure for Assessment of Search Cases
- 3.2. Block Assessment
- 3.3. Seizure
- 3.4. Collection and Recovery
- 3.5. Case study – Abuse of discretionary powers

Module 4 – International Taxation

- 4.1. Transfer Pricing Cases – Reference to Transfer Pricing Officer
- 4.2. Special Provisions Relating to Certain Incomes of Non-Residents
- 4.3. Double Taxation Relief
- 4.4. Application of General Anti-Avoidance Rules (GAAR)

Module 5 – Miscellaneous

- 5.1. Method of Accounting
- 5.2. Computation
- 5.3. Refunds
- 5.4. Tax Amnesty Schemes
- 5.5. Identifying flaws in tax litigation framework of India

Examination and Assessment :

Case analysis and presentation – 35 marks

Drafting assignment – 35 marks

Mid-term: 30 marks

Readings:

- Baistrocchi Eduardo, A global Analysis of Tax Treaty Disputes, Cambridge University Press, August 2007
- Burman, Anirudh & Suyash Roy, Income Tax Disputes in India - James C. Scott on State Power (2022).
- Comptroller and Auditor General of India, Direct Taxes Report No. 13 of 2024.
- De, Supriyo, Direct Taxes Litigation Management and Alternate Dispute Resolution, Working Paper No. 394, 2023, National Institute of Public Finance and Policy, New Delhi.
- Kanga, J.B. & Palkhiwala, N.A., The Law and Practice of Income Tax (11th ed., Lexis Nexis 2020).
- Mansfield, Charles Y., Tax Administration in Developing Countries, An Economic Perspective, Staff Papers, IMF, 35(1).
- Mohan, S.A., Pendency in the Indian Tax Appeal System, 17 J. Australasian Tax Teachers Ass'n 1 (2022).
- Practical Guide to Income Tax Practice (CTC, Taxmann 2022)
- M. Govinda Rao & Kavita Rao, Trends and Issues in Tax Policy and Reforms in India, Brookings
- Ahuja, Girish & Ravi Gupta, Practical Approach to Income Tax (Commercial Law Publisher 2023).