Vocational Higher Secondary Education (VHSE)

Second Year

ACCOUNTING AND TAXATION

Reference Book - Teachers' Version

Government of Kerala
Department of Education

Foreword

Dear Teachers

This reference book **(Teachers' Version)** is intended to serve as a transactional aid to facilitate classroom transaction and as a ready reference for teachers of Vocational Higher Secondary Schools. It offers some guidelines for the transaction of the course content and for undertaking the practical work listed in the course content. As the curriculum is activity based, process oriented and rooted in constructivism focusing on the realisation of learning outcomes, it demands higher level proficiency and dedication on the part of teachers for effective transaction.

In the context of the Right- based approach, quality education has to be ensured for all learners. The learner community of Vocational Higher Secondary Education in Kerala should be empowered by providing them with the best education that strengthens their competences to become innovative entrepreneurs who contribute to the knowledge society. The change of course names, modular approach adopted for the organisation of course content, work-based pedagogy and the outcome focused assessment approach paved the way for achieving the vision of Vocational Higher Secondary Education in Kerala. The revised curriculum helps to equip the learners with multiple skills matching technological advancements and to produce skilled workforce for meeting the demands of the emerging industries and service sectors with national and global orientation. The revised curriculum attempts to enhance knowledge, skills and attitudes by giving higher priority and space for the learners to make discussions in small groups, and activities requiring hands-on experience.

The SCERT appreciates the hard work and sincere co-operation of the contributors of this book that includes subject experts, industrialists and the teachers of Vocational Higher Secondary Schools. The development of the teachers' version of reference books has been a joint venture of the State Council of Educational Research and Training (SCERT) and the Directorate of Vocational Higher Secondary Education.

The SCERT welcomes constructive criticism and creative suggestions for the improvement of the book.

With regards,

Dr. J. Prasad
Director
SCERT, Kerala

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ABOUT THE COURSE

The overall development of a country largely depends up on the growth of the economy,which can be achieved only through the growth of business and commerce. The main aim of education is to cherish the youth to be a catalyst in this process. The youth can contribute a lot towards the process of building the nation by actively taking part in different creative areas of fast growing economy.

Accounting and Taxation course is designed to impart the skills in manual accounting, taxation, IT and computerised accounting to the learners. The rapid pace of globalization and industrialization offers large number of employment opportunities in this field in India as well as in abroad. This course is intended to create self confidence, hands on industrial experience and self reliance to the learners. The availability of employment opportunities in large number of small and medium scale manufacturing, trading and service providing organizations, BPO'S and KPO'S make the course more attractive.

This course is designed to cater the needs of local, national as well as international requirementof skilled employees in the fields of accounts and taxation. The industrial accounting practice especially in BPO's and MNC's leads to divide the accounting cycle into different specialized accounting skills for accounts compilation and analysis ; this course will play a pivotal role by providing entry level position to the learners. The possible industrial linkage will provide opportunity for facilitating effective on the job training and employability through campus recruitment. Moreover, the course is structured to be competent to the courses of NSQF in the same skill area and is expected to reduce the number higher secondary pass outs to go for terminal accounting practice courses offered by private institutions. In addition to the employability in state and central Govt. departments, PSUs, private organizations and BPO's; this course offers wide opportunity for self entrepreneurship as commercial tax practitioner. This course aims to develop values and ethics of business accounting and tax practicing amongst the learners.

JOB ROLES

India aims to be self reliable and self sufficient by adapting the opportunities in the dynamic global environment. This witnesses a crucial transition of job culture in manufacturing, trading and service sectors. As a result thousands of employment opportunities emerge. The industries require multi skilled persons to fill the gap of skilled employees. The accounting and taxation course of VHSE focuses on the youth to be competent to undertake various roles in business and commerce. On successful completion of Accounting and Taxation course, the learner is expected to be placed in the following job roles.

Government Sector	Private Sector	Self Entrepreneurship
Office Assistant Clerks in Tax Departments Junior Accountants in Companies, Corporations and Boards. Audit Assistant in co-operative departments. Store keeper Lab Technical Assistant.	Office Assistant Accounts Clerk/Accounts Assistant Assistant Commercial Tax Practitioner. Assistant income tax practitioner Data Entry Operator Entry level accounts analyst in BPO Junior Accountant Stores Assistant	Start online service centers like Akshaya kendras Start DTP centres

MAJOR SKILLS

The Module 3 and 4 of Accounting and Taxation course is designed to impart the following skills among the learners.

A) Computerised Accounting skill

- ❖ Tally ERP9 customisation skill
- ❖ Financial Accounting skill (Accounts only)
- ❖ Financial Accounting skill (Accounts with Inventory)
- ❖ Accounting skill in VAT, TDS and Service Tax
- ❖ Bank Reconciliation skill
- ❖ Report generating skill
- ❖ Online Accounting skill in Quick Books

B) Tax Practicing skill

- ❖ Salary income assessment skill
- ❖ Income Tax assessment skill
- ❖ Advance Tax assessment skill
- ❖ TDS application skill
- ❖ Income Tax returns preparation skill
- ❖ E-filing skill
- ❖ VAT assessment skill
- ❖ VAT returns filling skill
- ❖ CST application skill
- ❖ Service Tax application skill

LEARNING OUTCOMES OF THE COURSE

After completing the course, the learner will be able to ………..

- Perform the data entry operations of business organizations.

- Keep ICT resources in proper condition.

- Maintain books of accounts of small traders

- Manage computerized accounting systems

- Prepare accounts in Indian and foreign accounting softwares

- Manage commercial taxes

- Manage Income tax

- Prepare and file tax returns

COURSE STRUCTURE

Accounting and Taxation course consists of 4 modules such as:

Module .No	Name of Module	Total periods
1	Office Automation for Business	340
2	Manual Accounting Practice	340
3	Computerized Accounting	340
4	Taxation	340

SYLLABUS

MODULE 3 - COMPUTERISED ACCOUNTING

UNIT 3.1 INTRODUCTION TO COMPUTERISED ACCOUNTING.   (10 PERIODS)

Accounting system-need and benefits of Computerized Accounting-transition from Manual Accounting to Computerized Accounting- list of Accounting softwares.

UNIT 3.2 FUNDAMENTALS OF TALLY ERP9   (20 PERIODS)

Features of tally- Tally versions –Tally ERP9- requirements for installing tally- steps for installing tally- benefits of tally-tally licensing-gateway of tally/screen components of tally- company creation- select and shut -split company data-Alt company-F12 configuration.

UNIT 3.3 BASIC ACCOUNTING INFORMATION IN TALLY   (30 PERIODS)

Menu related to accounts – groups - predefined groups - managing groups - creating groups and sub group - display, alter and delete groups - multiple groups – ledgers - single ledger creation, display, alt and delete - multiple ledger creation, display and alt.

UNIT 3.4 ACCOUNTING VOUCHERS IN TALLY   (60 PERIODS)

Voucher types - configuring vouchers-creating vouchers-display, alt, duplicating and cancelling of vouchers-predefined vouchers.

UNIT3.5 TAX ACCOUNTING IN TALLY   (60 PERIODS)

Enabling VAT (*VAT must be replaced with GST when GST is implemented and incorporated in Tally*)-Enabling TDS in tally-Enabling Service Tax in tally.

UNIT3.6 COST CENTRES AND INVENTORY INFORMATION   (60 PERIODS)

Cost categories and cost centres-create, display, alter and delete cost category-cost centre- create, display, alt and delete cost centres-accounts with inventory- stock group- stock category- stock item-godown-units of measures.

UNIT3.7 ORDERS, INVOICES AND REPORTS   (50 PERIODS)

Purchase order- sales order-invoice-cheque printing-trial balance-balance sheet-profit and loss account-day books-bank reconciliation statement.

UNIT3.8 QUICKBOOKS   (50 PERIODS)

Introduction to Quick Books-features of QB-uses of QB-set up company accounts- QB centre -setup taxes- -Set up customer -create new customer-utility button -reports related to customers-Set up suppliers -create a new supplier-utility button-report related to suppliers- chart of accounts-working with transaction-reports in QB-customising reports.

MODULE.4 – TAXATION

UNIT 4.1 INTRODUCTION TO TAXATION   **(20 PERIODS)**

Meaning of Tax - Need for tax - Classification of tax - Meaning of Cess and Surcharge

UNIT 4.2 INCOME TAX   **(100 PERIODS)**

Meaning of Income Tax-Income Tax Act 1961-Income Tax Rule 1962-basic terms – General charging section - Residential status and scope of Income Tax -Heads of income - exempted incomes under sec10(fully exempted only) - Computation of income under the head salary - Computation of GTI - PAN - Deductions - Computation of total income - Income tax rates-computation of tax.

UNIT 4.3 ADVANCE TAX, TDS AND TAX RETURNS   **(100 PERIODS)**

Advance tax -TDS – Income Tax assessment - Income Tax returns - E-filing.

UNIT 4.4 VALUE ADDED TAX(***VAT must be replaced with GST when GST is implemented*)

          (100 PERIODS)

VAT - Basic terms used in KVAT –Input VAT and output VAT - VAT schedules - VAT rates - Presumptive VAT - Compounding of tax – Input tax credit- Computation of VAT - Procedure for e_filing of VAT returns - Liability for registration - Procedure for registration - The CST

UNIT 4.5 OTHER INDIRECT TAXES (***This Chapter must be replaced with GST when GST is implemented*)   **(20 PERIODS)**

Service Tax – Excise Duty – Customs Duty

LIST OF PRACTICAL MODULE3 COMPUTERISED ACCOUNTING

UNIT 3.2 FUNDAMENTALS OF TALLY ERP9

➢ Installation of Tally software
➢ Working with Tally to describe Tally components
➢ Company Creation with accounts only and accounts with inventory of minimum 6 companies
➢ Select, Alt, and Shut a Company
➢ Lab works to fix company features, configure the company using the key "F12"
➢ Lab works to identify various button in the button panel

UNIT 3.3 BASIC ACCOUNTING INFORMATION IN TALLY

➢ Lab Work of menu related to accounts in Tally
➢ Creation of accounting information
➢ Making inventory information
➢ Lab works to learn pre-defined groups
➢ Create Ledger groups
➢ Creation of sub groups
➢ Display Alt and delete groups
➢ Create, display, alt and delete multiple groups
➢ Create, display, alt and delete single ledgers
➢ Create, display, and alt multiple ledgers

UNIT 3.4 ACCOUNTING VOUCHERS IN TALLY

➢ Lab works to identify various types of vouchers in tally
➢ Configuring vouchers
➢ Create, display, duplicate and cancel vouchers
➢ Lab works for voucher entry in different companies with different types of transactions (practice minimum five companies)

UNIT 3.5 TAX ACCOUNTING IN TALLY

➢ Create or alter company and enable VAT
➢ Voucher entry with VAT
➢ Create or alter company to enable TDS
➢ Voucher entry with TDS
➢ Create or alter company to enable service tax
➢ Voucher entry with Service Tax
➢ Make VAT, TDS and Service Tax Reports

UNIT 3.6 COST CENTRES AND INVENTORY INFORMATION

➢ Create or alter company with cost categories
➢ Display or alter cost categories
➢ Create or alter company with cost centre
➢ Display, alter and delete cost centre
➢ Create or alter company with stock groups
➢ Create or alter company with stock categories
➢ Display, alter or delete stock categories
➢ Create stock items
➢ Display and alter stock items
➢ Create godowns

- ➢ Display or alter godowns
- ➢ Create unit measures
- ➢ Display or alter unit measures
- ➢ Lab work with all inventory attributes for minimum five questions

UNIT 3.7 ORDERS,INVOICES AND REPORTS

- ➢ Create, alter and delete Purchase Order
- ➢ Create, alter and delete Sales Order
- ➢ View Purchase and Sales Orders
- ➢ Create Invoice
- ➢ Configure Invoices
- ➢ Print invoice and print cheque
- ➢ Generate reports
- ➢ Generate Trial Balance
- ➢ Generate Profit and Loss account
- ➢ Generate Balance Sheet
- ➢ Display Day Book
- ➢ Create statements of account, inventory books and statement of inventory
- ➢ Prepare Bank Reconciliation Statement
- ➢ Lab Works for various reports of five questions

UNIT 3.8 QUICKBOOKS

- ➢ Setup a company with online trial version of QB.
- ➢ Lab work to familiarize QB centers on the screen
- ➢ Setup tax-VAT and Service Tax
- ➢ Setup customers
- ➢ Setup suppliers
- ➢ Lab work to familiarize chart of accounts
- ➢ Lab work with transaction entry
- ➢ Lab work to familiarize reports

LIST OF PRACTICAL MODULE 4 TAXATION

UNIT 4.1 INTRODUCTION TO TAXATION

- ➢ DTP skill in English 30 words per minute by using typing tutorials.
- ➢ DTP skill in Malayalam 20 words per minute in Ubuntu.
  (Use tax related matters for DTP practice)

UNIT 4.2 INCOME TAX

- ➢ Compute salary income in Ms Excel
- ➢ Compute taxable portion of HRA in Ms Excel
- ➢ Compute GTI and TI in Ms Excel

UNIT 4.3 ADVANCE TAX, TDS AND TAX RETURNS

- ➢ Prepare income tax statement manually
- ➢ Prepare Form16 manually
- ➢ Prepare income tax statement in Ms Excel
- ➢ Prepare Form 16 in Ms Excel
- ➢ Use macro enabled Excel work sheet for income tax statement preparation.
- ➢ E-filing of tax return

UNIT 4.4 VALUE ADDED TAX
- ➢ Collection of Form No10,10A and 10B
- ➢ Prepare Form10, 10A and 10B manually
- ➢ Prepare Form10, 10A and 10B in Ms.excel
- ➢ Prepare a mini project based on commodities falling under different VAT schedules. At least 5 items in each schedule must be included
- ➢ Prepare C FORM,D FORM and E FORM applicable in CST
- ➢ Prepare Tax invoice in Ms.excel

UNIT 4.5 OTHER INDIRECT TAXES
- ➢ Prepare a mini project on service tax based on field survey of minimum 5 service rendering organizations
- ➢ Prepare a mini project on the applicability of excise duty/customs duty based on field visit to a manufacturing unit or export unit.

LEARNING OUTCOMES

MODULE-3. COMPUTERISED ACCOUNTING

After the completion of this module, the learner will be able to……

UNIT 3.1 - INTRODUCTION TO COMPUTERISED ACCOUNTING

3.1.1   Explain Manual Accounting and Computerised Accounting
3.1.2   Distinguish between Computerised Accounting and Manual Accounting
3.1.3   Describe the benefits of Computerised Accounting
3.1.4   Identify the need of Computerised Accounting
3.1.5   Familiarise the steps involved in the transition of Manual Accounting to Computerised Accounting.
3.1.6   List out the different Accounting softwares.

UNIT 3.2- FUNDAMENTALS OF TALLY ERP9

3.2.1   Identify the features of Tally
3.2.2   Explain the requirements for installing Tally
3.2.3   Explain the steps required for installing Tally
3.2.4   List out the benefits of Tally
3.2.5   Identify the need for Tally licensing
3.2.6   Describe the types of Tally licensing
3.2.7   Familiarise license menu
3.2.8   Describe various Tally components
3.2.9   Create a company
3.2.10 Select a company
3.2.11 Shut a company
3.2.12 Alter company
3.2.13 Fix company features
3.2.14 Configure the company by using F12
3.2.15 Use short cut keys

UNIT 3.3 - BASIC ACCOUNTING INFORMATION IN TALLY

3.3.1 Understand the menu related to accounts
3.3.2 Create Accounting Info
3.3.3 Create Inventory Info.
3.3.4 Understand the ledger groups.
3.3.5 List out the predefined ledger groups
3.3.6 Manage ledger groups
3.3.7 Create groups
3.3.8 Create sub groups
3.3.9 Display groups
3.3.10 Alter groups
3.3.11 Delete groups
3.3.12 Create multiple groups
3.3.13 Display multiple groups
3.3.14 Alter multiple groups
3.3.15 Explain the meaning of ledgers
3.3.16 Familiarise the fields in the ledger creation window

3.3.17 Create single ledgers
3.3.18 Display ledgers
3.3.19 Alter ledgers
3.3.20 Delete ledger
3.3.21 Create multiple ledgers
3.3.22 Familiarise the fields in multiple ledger creation window
3.3.23 Display multiple ledgers
3.3.24 Alter multiple ledgers
3.3.25 Use short cut keys

UNIT 3.4 - ACCOUNTING VOUCHERS IN TALLY

3.4.1 Identify the vouchers in Tally
3.4.2 Configure vouchers
3.4.3 Create vouchers
3.4.4 Display vouchers
3.4.5 Alter vouchers
3.4.6 Duplicate vouchers
3.4.7 Cancel vouchers
3.4.8 List out predefined vouchers in tally
3.4.9 Use Short cut Keys

UNIT 3.5 - TAX ACCOUNTING IN TALLY

3.5.1   Identify VAT terminologies
3.5.2   Enable VAT
3.5.3   List out ledgers pertaining to VAT
3.5.4   Voucher entry with VAT
3.5.5   Compute VAT
3.5.6   Display VAT reports
3.5.7   Enable TDS
3.5.8   List ledgers pertaining to TDS
3.5.9   Create TDS voucher types
3.5.10 Voucher entry with TDS
3.5.11 Make TDS reports
3.5.12 Compute TDS
3.5.13 Enable Service Tax in tally
3.5.14 Identify ledgers pertaining to service tax
3.5.15 Create service tax ledgers
3.5.16 Voucher entry with Service Tax
3.5.17 Make service tax reports
3.5.18 Use short cut keys

UNIT3.6 - COST CENTRE AND INVENTORY INFORMATION

3.6.1   Define cost categories
3.6.2   Create cost categories
3.6.3   Display cost categories
3.6.4   Alter cost categories
3.6.5   Delete cost categories
3.6.6   Define cost centres

UNIT3.7 - ORDERS, INVOICES AND REPORTS

3.7.17   Generate reports

3.7.18   Display trial balance

3.7.19   Configure trial balance

3.7.20   Configure balance sheet

3.7.21   Configure profit and loss account

3.7.22   Display day book

3.7.23   Display balance sheet and profit and loss account.

3.7.24   Prepare bank reconciliation statement

3.7.25   Use Short cut Keys

UNIT 3.8 - QUICK BOOKS

3.8.1 Understand QB

3.8.2 Explain uses of QB

3.8.3 Set up company

3.8.4 Customise business

3.8.5 Set up customers

3.8.6 Define QB Center

3.8.7 List out QB Center

3.8.8 Set up Service Tax

3.8.9 Set up VAT

3.8.10 Customise Invoices

3.8.11 Navigate chart of accounts

3.8.12 Add new accounts

3.8.13 Create customers

3.8.14 Create Invoices, Receipts, Estimates and Credit Note

3.8.15 List out reports related to customer

3.8.16 Generate customer report

3.8.17 Set up suppliers

3.8.18 Make billable expenses

3.8.19 Create purchase order, Invoice, Payment and Debit Note

3.8.20 List out reports related to suppliers

3.8.21 Create reports

3.8.22 Customise reports

3.8.23 Work with transactions

3.8.24 Set account numbers

3.8.25 Identify and list out default accounts

3.8.26 Add and edit accounts

3.8.27 Identify the QB Reports

3.8.28 Understand the nature of QB online reports

3.8.29 List of types of Reports

3.8.30 Generate all reports

MODULE 4 – TAXATION

After the completion of this module, learner will be able to…….

4.1. INTRODUCTION TO TAXATION

4.1.1   Understand the meaning of tax
4.1.2   Analyse the need for taxation
4.1.3   Classify taxes
4.1.4   Define direct tax and indirect tax
4.1.5   Differentiate between direct tax and indirect tax
4.1.6   List out various direct and indirect taxes
4.1.7   Explain Cess and Surcharge

4.2. INCOME TAX

4.2.1   Define income tax
4.2.2   Analyse the content of income tax Act
4.2.3   Explain income tax rules
4.2.4   Understand basic terms in income tax
4.2.5   Explain the general charging section
4.2.6   Understand residential status
4.2.7   Determine residential status
4.2.8   Determine the scope of Income tax based on residential status
4.2.9   Categorise heads of income
4.2.10 Differentiate GTI and TI
4.2.11 Summarise incomes exempted fully from tax
4.2.12 Compute income from salary
4.2.13 Determine taxable portion of HRA
4.2.14 Understand the deduction of Professional Tax
4.2.15 Make deduction of housing loan interest
4.2.16 Calculate GTI
4.2.17 List out the deductions under Section 80C and 80D
4.2.18 Understand tax rates
4.2.19 Calculate total income
4.2.20 Use deductions under 87A
4.2.21 Compute Income Tax for citizen, Senior Citizen and Super seniors
4.2.22 Define PAN
4.2.23 Describe the features of PAN
4.2.24 Plan to reduce tax liability

4.3. ADVANCE TAX, TDS AND TAX RETURNS

4.3.1   Understand Advance Tax
4.3.2   Fix liability for payment of advance tax
4.3.3   Determine interest for default in tax payment
4.3.4   Understand assessment
4.3.5   Classify assessment
4.3.6   Explain TDS
4.3.7   List out TDS applicable items
4.3.8   Summarise the TDS rates
4.3.9   Analyse TDS exemptions
4.3.10 Apply form 15G and 15H
4.3.11 Understand TAN
4.3.12 Define income tax returns
4.3.13 List out different types of returns
4.3.14 Prepare tax returns

4.3.15 Prepare form16 and income tax statement
4.3.16 Summarise the procedure for e-filing
4.3.17 List out steps involved in e-filing
4.3.18 Make e-filing

4.4 VALUE ADDED TAX

4.4.1   Define VAT
4.4.2   Explain KVAT Act
4.4.3   Analyse VAT Rules
4.4.4   Explain basic terms used in KVAT
4.4.5   Define input tax and output tax
4.4.6   Summarise VAT schedules
4.4.7   List out VAT rates
4.4.8   Categorise commodities falling under different VAT rates
4.4.9   Calculate VAT
4.4.10 Explain compounding of tax
4.4.11 Apply input tax credit
4.4.12 Prepare VAT returns
4.4.13 Explain procedures for registration
4.4.14 List out the documents required for registration
4.4.15 Explain the meaning of CST
4.4.16 Summarise the liability of CST
4.4.17 List out CST Rates
4.4.18 Distinguish Between VAT and CST

4.5 OTHER INDIRECT TAXES

4.5.1   Explain service tax
4.5.2   Define service provider and receiver
4.5.3   Identify chargeability of service tax
4.5.4   List out taxable services
4.5.5   Identify rates of service tax
4.5.6   Explain excise duty
4.5.7   Summarise the scope of excise duty
4.5.8   Identify chargeability of excise duty
4.5.9   Explain customs duty
4.5.10 Identify the need of customs duty
4.5.11 List out the scope of customs duty
4.5.12 Identify chargeability of customs duty
4.5.13 Explain the basic conditions for levying excise duty
4.5.14 List out types of customs duty
4.5.15 Distinguish between excise duty and customs duty
4.5.16 Understand the rate for customs duty and due date for filing return

SCHEME OF WORK MODULE3 &4

MONTH	MODULE	UNIT	PERIODS
JUNE	COMPUTERISED ACCOUNTING	3.1 Introduction to computerised accounting. 3.2 Fundamentals of tally ERP9 3.3 Basic accounting information in tally 3.4 Accounting vouchers in tally up to 3.4.1.2	10 20 30 20
JULY		3.4 Accounting vouchers in tally from 3.4.1.3 3.5 Tax accounting in tally upto 3.5.2	40 40
AUGUST		3.5 Tax accounting in tally from 3.5.3 3.6 Cost centre and inventory information	20 60
SEPTEMBER		3.7 Orders, invoices and reports	50
OCTOBER		3.8 Quick books Practical examination	50 6
NOVEMBER	TAXATION	4.1 Introduction to taxation 4.2 Income tax up to 4.2.8	20 60
DECEMBER		4.2 Income tax from 4.2.9 4.3 Advance tax,tds and tax returns up to4.3.2.7	40 50
JANUARY		4.3 Advance tax ,td and tax returns from 4.3.3 4.4 Value added tax up to 4.4.5	50 40
FEBRUARY		4.4 Value added tax from 4.4.6 4.5 Other indirect taxes	60 20
MARCH		Revision and Examinations	

STRUCTURE OF MODULE 3-COMPUTERISED ACCOUNTING

This module aims to provide Computerized Accounting skills and make the learner capable of using computers for business communication and accounting purposes.

MODULE 3 - COMPUTERISED ACCOUNTING (Periods:340)		
Unit No.	**Name of units**	**Periods**
3.1	INTRODUCTION TO COMPUTERIZED ACCOUNTING	10
3.2	FUNDAMENTALS OF TALLY ERP9	20
3.3	BASIC ACCOUNTING INFORMATION IN TALLY	30
3.4	ACCOUNTING VOUCHERS IN TALLY	60
3.5	TAX ACCOUNTING IN TALLY	60
3.6	COST CENTRE AND INVENTORY INFORMATION	60
3.7	ORDERS, INVOICES AND REPORTS	50
3.8	QUICK BOOKS	50
TOTAL PERIODS		340
30% periods-theory sessions and 70% periods-practical activities		

STRUCTURE OF MODULE - 4 TAXATION

This module aims to provide tax practicing skill and make the learner capable of preparing and filing tax returns.

MODULE 4 - TAXATION (Periods:340)		
Unit NO	**Name of units**	**Periods**
4.1	INTRODUCTION TO TAXATION	20
4.2	INCOME TAX	100
4.3	ADVANCE TAX, TDS AND RETURNS	100
4.4	VALUE ADDED TAX	100
4.5	OTHER INDIRECT TAXES	20
TOTAL PERIODS		340
30% periods-theory sessions and 70% periods-practical activities		

CLASS ROOM ACTIVITIES

To impart the skills designed in this course, ICT based and practical oriented activities are to be followed. This includes:

- ❖ Group discussion

- ❖ Practical record preparation

- ❖ Activity log maintenance

- ❖ Interactive discussion sessions

- ❖ Use of computers, internet, projector and PPT

- ❖ Use of Videos

- ❖ Use of Hand outs

- ❖ Use of Animated CDs

- ❖ Use of Work sheets

- ❖ Collection of Business bills and vouchers

- ❖ Preparation of business bills and vouchers

- ❖ Use of Accounting softwares

- ❖ Model notices, brochures and tenders

- ❖ Seminars

- ❖ Assignments

- ❖ Web browsing

- ❖ Online practices

- ❖ Work shops

- ❖ Use of Online tutorials

GENERAL PRACTICAL ACTIVITIES

The major focus of this course is to give skill training in the fields of accounting and taxation. The teaching/learning activities are more practical oriented. For this, well equipped computer lab with needed softwares must be established in each school. One computer for each learner should be ensured for the effective skill training. A wi-fi connection must be ensured in each lab.

For effective skills training the following practical elements may be included.

- ❖ Procedure writing.

- ❖ Case studies from industries.

- ❖ Report generations

- ❖ Collection/preparation of documents

- ❖ Interaction with professionals

- ❖ Mini projects

- ❖ Practical Record for module 3

- ❖ Preparation of tax returns

- ❖ Industrial visit/field visit

- ❖ Accounting through software

- ❖ Online accounting

- ❖ Portfolio of collections/preparations for module4

OVERVIEW OF MODULE – 3 COMPUTERISED ACCOUNTING

The manual method of keeping and maintaining business records found unmanageable in modern business environment due to increase in the volume of transactions. With the introduction of computers in business, the manual method of accounting is being replaced. Moreover, the database technology has revolutionized the accounts departments of business organizations. Need for computerized accounting arises from the advantages of speed, accuracy, and lower cost of handling the business transactions. Now a days, small and medium sized business organizations largely depends on online backup and database support for meeting their business accounting requirements.

By learning the first two modules of the course learners are familiar with the application of information technology in business data processing and how the accounts are prepared manually. Now we look accounting in a computerized environment. It is to be remembered that the fundamental accounting principles and concepts do not change whether books of accounts are maintained manually or computerized. The basic accounting principles to recognize the debit and credit of assets, liabilities, expenses and incomes in the manual accounting system is applicable as such in computerized environment.

This module is aimed to provide computerized accounting skills and make the learner capable of using computers for accounting and MIS purposes. Since large number of learners go for jobs in accounting field in India as well as in abroad; an attempt is made to equip the learners with the capability of managing Tally ERP9 and QUICK BOOKS softwares so that they can be placed to fill the gap of skilled accounts assistants.

UNIT 3.1 : INTRODUCTION TO COMPUTERIZED ACCOUNTING

This unit deals with the importance of Computerized Accounting in the present scenario of business environment. The limitations of Manual Accounting emerges the revolution to Computerised Accounting across the world. At present a number of Accounting softwares are available in the market. Let's discuss the demerits of Manual Accounting and also the benefits of the Computerised Accounting. This chapter is aimed to make the learner eager to learn accounting softwares.

UNIT NAME	3.1. INTRODUCTION TO COMPUTERISED ACCOUNTING		Periods 10
IDEA/CONCEPT/ SKILL	LEARNING OUTCOME	SUGGESTED ACTIVITIES	ASSESSMENT
ACCOUNTING SYSTEMS • Manual Accounting • Computerised Accounting • Need and Benefits of Computerized Accounting • Difference between Computerized Accounting and Manual Accounting • Transition from Manual Accounting to Computerized Accounting • Accounting softwares **SKILLS:** • Critical thinking skill • Analytical skill • Communication skill • Interaction skill	The learner will be able to: • Explain the meaning of Manual Accounting • Explain the meaning of Computerised Accounting • Distinguish between Computerised Accounting and Manual Accounting • Describe the need and benefits of Computerised Accounting • Familiarise the steps involved in the transition of Manual Accounting to Computerised Accounting. • List out the different Accounting softwares.	• Brain storming and discussion. • PPT on benefits of Computerized Accounting • PPT on differences between Computerized Accounting and Manual Accounting • Seminar on need for Computerized Accounting • Discussion of steps involved in the transition • PPT of list of accounting softwares • Class test	• Notes in the activity log. • Participation and involvement in discussion. • Evaluation of seminar presentation • Evaluation of test paper

ASSESSMENT ACTIVITIES

1. Seminar report on the topic Manual Accounting Vs Computerized Accounting

2. List the Accounting softwares in the table below

Software	Indian/Foreign
Tally	Indian
QuickBooks	Foreign
?	Indian
Daeceassy	?
?	?

LIST OF ITEMS IN PORTFOLIO

❖ Seminar report
❖ Activity log

EXTENDED ACTIVITY

Suggest the learners to browse internet to know more about different accounting softwares used in different types of organizations in different countries.

UNIT 3.2 : FUNDAMENTALS OF TALLY ERP9

One of the most popular and user-friendly accounting softwares in India is Tally ERP9. The Tally Software supports concurrent multi-lingual capability. Tally ERP9 maintains all types of Books of accounts, Financial Statements and also maintains platform for statutory compliance to meet the requirements of an organization. Let's discuss the requirements for installing Tally ERP9, steps for installing Tally, and Tally licensing. The software can be applied by inserting Company information of the user. Create and alter functions may be executed to modify company information and Tally screen components can also be familiarized.

UNIT NAME:	UNIT 3.2- FUNDAMENTALS OF TALLY		Periods 20
IDEA/CONCEPT/SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
Tally ERP9 • Features of Tally • Versions of Tally • Requirements for installing tally • Steps for installing tally • Tally licensing SKILLS • Analytical skill • Communication skill • Interaction skill • Judging skill	*The learner will be able to:* • Identify the features of Tally • Explain the requirements for installing tally • Explain the steps required for installing tally • List out the benefits of tally • Identify the need for tally licensing • Describe the types of tally licensing • Familiarise license menu	• Discussion . • Video describing tally features. • PPT of steps involved in the installation of tally • Assignments • Online tutorials presentation.	• Notes in the activity log. • Participation and involvement in discussion • Assignment checking • Response on video.
Gateway of Tally/screen components of Tally • Company creation • Select, shut and alt company • Current Period and Current date • F12 configuration SKILLS • Analytical skill • Communication skill • Interaction skill	*The learner will be able to:* • Describe various tally components • Create a company • Select a company • Shut a company • Alt company • Fix company features • Configure the company by using F12	• Group discussion. • Animated videos • Assignments • Interactive lecture • PPT presentation	• Notes in the activity log. • Participation and involvement in discussion • Assignment checking • Response on video.

ASSESSMENT ACTIVITIES

1. Seminar on features of TallyERP9

2. List out the different versions of tally in the table given below

Tally4.5
?
?
Tally7.2
?
Tally9
?

3. Students can be asked to modify the company created in the questions given in the students reference book with the following details..

   Change the Accounting Period beginning from 1-4-2016

   Change the Company into 'Accounts only' mode.

4. List out the Short cut keys

Situation	Short cut key
Shut company	H
Select company	?
Alt company	?

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Assignment on features of tally
- ❖ Practical record

UNIT 3.3 - BASIC ACCOUNTING INFORMATION IN TALLY

Once a Company is created in the Tally ERP9, the basic Accounting information in Tally may be analyzed. It is possible to view various menu related to accounts and pre-defined ledger groups. Also see how we can create, alter, delete and display single and multiple ledgers, groups and sub groups.

UNIT NAME:	UNIT 3.3 - BASIC ACCOUNTING INFORMATION IN TALLY		Periods 30
IDEA/CONCEPT/ SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
MENU RELATED TO ACCOUNTS • Groups and Predefined groups • Managing groups • Creating groups and sub groups • Display, alter and delete groups • Create, display and alter multiple groups **SKILLS** • Reporting skill • Analytical skill • Communication skill	The learner will be able to: • Understand the menu related to accounts • Create accounting info • Create Inventory Info • Understand the ledger groups • List out the predefined ledger groups • Manage ledger groups • Create groups • Create sub groups • Display groups • Alter groups • Delete groups • Create multiple groups • Display multiple groups • Alter multiple groups	• Group discussion • Interactive video • PPT on creation of ledger groups • Interaction with expert • Class test • Assignments	• Notes in the activity log. • Participation and involvement in discussion • Participation in interaction • Response on videos and PPT • Evaluation of test paper • Assignment checking
LEDGER • Create, Alt, Display and Delete single ledgers • Create, Alt and Display multiple ledgers **SKILLS:** • Observation skill • Analytical skill • Communication skill	*The learner will be able to:* • Explain the meaning of ledgers • Familiarise the fields in the ledger creation window • Create single ledgers • Display ledgers • Alter ledgers • Delete ledger • Create multiple ledgers • Familiarise the fields in multiple ledger creation window • Display multiple ledgers • Alter multiple ledgers • List out the predefined ledgers in tally • Use short cut keys	• Brain storming • Group discussion • Interactive videos • PPT on ledger creation • Assignments	• Notes in the activity log. • Participation and involvement in discussion • Participation in interaction • Response on videos and PPT • Assignment checking

ASSESSEMENT ACTIVITIES

1. Tally has ----------primary groups

   a)28   b)15   c)13   d) 2

2. Identify any 2 groups and sub groups maintained by a business nearby you and   prepare an assignment report to create them.

3. Visit an organization in your town and create the company, groups and sub

   groups in Tally based on their details.

4.   Identify the two pre-defined ledger available in Tally ERP 9

5. List out the pre-defined primary groups and sub-groups in tallyERP9

6. Prepare a Chart of Accounts with maximum possible Ledgers and Groups thereof

CATEGORY	LEDGER	GROUP
ASSETS		
1	Computer	Fixed Assets
2	Building	?
3	?	?
LIABILITIES		
1	Bills Payable	Current Liabilities
2	VAT Payable	?
3	?	?
CAPITAL		
1	?	?
2	?	?
REVENUE		
1	Sales	Sales Account
2	Discount Received	?
3	?	?
EXPENSE		
1	Purchase	Purchase Account
2.	Salary Expense	?
3.	?	?

LIST OF PORTFOLIO

- ❖ Activity log

- ❖ Assignment report

- ❖ Field visit report

- ❖ Practical record

EXTENDED ACTIVITIES

> Visit accounts department of a nearby organization and collect details of different ledgers and ledger groups maintained by them. Students can be asked to create the same ledger group in tally.

UNIT 3.4 - ACCOUNTING VOUCHERS IN TALLY

Recording Journal entry is the primary function of accounting. In Tally the user has to identify debit and credit aspects of transactions and its recording is possible only through voucher entry. To execute voucher entry, the user has to identify the type of voucher to be selected then configure the mode, content and style of vouchers. Let's discuss the flexibility in creating, altering, deleting, duplicating and cancelling the vouchers in this chapter. For making easy learning of voucher entry, company in 'accounts only' mode may be adopted.

UNIT NAME:	UNIT 3.4 - ACCOUNTING VOUCHERS IN TALLY		Periods 60
IDEA/CONCEPT/ SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
ACCOUNTING VOUCHERS AND CONFIGURATION • Types of vouchers • Configuration of vouchers • Create, Display alt and delete vouchers • Duplicating and cancelling vouchers **SKILLS:** • Observation skill • Communication skill • Interaction skill • Presentation skill	***The learner will be able to:*** • Identify the vouchers in Tally • Create new voucher type • Configure vouchers • Display voucher types • Alter voucher types • Delete voucher types • Make voucher entry • Duplicate vouchers • Cancel vouchers • List out predefined Vouchers	• Group discussion • Interactive videos • PPT on ledger creation • Recapitulation • Assignments	• Notes in the activity log. • Participation and involvement in discussion • Response on videos and PPT • Assignment checking.

ASSESSMENT ACTIVITIES

1. Create a new company with opening ledger balance and make voucher entry for transactions of all voucher types

2. Create duplicate entries of the vouchers already created and change the date and amount of transaction.

3. Delete the selected voucher entries made for the questions given in the students reference text

LIST OF PORTFOLIO

- ❖ Activity log

- ❖ Collected Vouchers

- ❖ Practical Record

EXTENDED ACTIVITIES

Arrange a field visit to collect vouchers from business organisations. Students can be asked to make voucher entries using the collected vouchers

UNIT 3.5 TAX ACCOUNTING IN TALLY

In most of the financial transactions we can see that there is some sort of Tax element. ie, VAT, TDS, Service Tax etc in it. Tally ERP9 facilitates to incorporate the above said taxes and statutory deductions by configuring taxes menu. This chapter deals with enabling VAT, TDS and Service Tax in a user's business. For enabling VAT and making voucher entry for VAT, the company in 'Accounts with inventory mode' may be adopted.

UNIT NAME:	UNIT3.5 TAX ACCOUNTING IN TALLY		Periods 60
IDEA/CONCEPT/ SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
ENABLING VAT IN TALLY • Ledgers pertaining toVAT • Sales ledger • Purchase ledger • Party ledger • Input VAT Ledger • Output VAT ledger **SKILLS:** • Communication skill • Interaction skill • Presentation skill	*The learner will be able to*: • Identify VAT terminologies • Enable VAT • List out ledgers pertaining to VAT • Make voucher entry with VAT • Generate VAT reports. • Compute VAT	• Brain storming. • Animated video on enabling VAT • PPT on VAT • Class test.	• Notes in the activity log. • Response on video and PPT • Evaluation of seminar report • Valuing test paper
ENABLING TDS IN TALLY • Meaning of TDS • Ledgers pertaining to TDS • Tax Ledger, Party ledger, and Expense ledger • TDS Voucher types • TDS reports **SKILLS:** • Critical thinking • Communication skill • Interaction skill • Presentation skill	*The learner will be able to:* • Enable TDS • List out ledgers pertaining to TDS • Create TDS voucher types • Make voucher entry with TDS • Compute TDS • Make TDS reports	• Brain storming • Group Discussion • PPT on TDS ledger • Field visit • Seminar on TDS	• Notes in the activity log. • Response on PPT • Evaluation of seminar report • Checking field visit report

ENABLE SERVICE TAX IN TALLY	*The learner will be able to:*		
• Meaning of service tax • Ledgers pertaining to service tax • Sales ledger, Purchase ledger, Party ledger and Duties and Taxes ledger **SKILLS:** • Observing skill • Communication skill • Interaction skill • Presentation skill	• Enable service tax in tally • Identify ledgers pertaining to service tax • Create service tax ledgers • Make Voucher entry with service tax • Make service tax reports • Use Short cut keys	• Group Discussion • PPT on service tax ledgers • Animated video	• Notes in the activity log. • Response on PPT and video • Involvement in group discussion

1. Present a seminar and prepare a seminar report on the topic 'Enabling Service Tax in Tally'

2. List out the steps involved in the creation of Input Vat and Output Vat ledgers

Input VAT ledger creation	Output VAT ledger creation
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8

3. Present a seminar and prepare a seminar report on the topic 'Enabling TDS in Tally'

4. Fill the missing items in the table given below

Ledger	Group
Tax Ledger	Duties & Taxes
Party Ledger	
	All Direct/ Indirect Expenses

LIST OF PORTFOLIO

- ❖ Activity log

- ❖ Seminar report

- ❖ Practical record

UNIT 3.6 COST CENTRES AND INVENTORY INFORMATION

In manufacturing and trading organisations where various types of inventories and spares are to be maintained, inventory control and management is a very difficult task. Tally ERP9 facilitates the option to execute inventory control and management. Inventory control is made possible by creating and altering groups of inventory, items of inventory and godowns where they are stored. It also provides space to create Cost centers, helps cost ascertainment and control.

UNIT NAME:	UNIT3.6 COST CENTRES AND INVENTORY INFORMATION		Periods 60
IDEA/CONCEPT/ SKILL	LEARNING OUTCOME	SUGGESTED ACTIVITIES	ASSESSMENT
COST CATEGORY AND COST CENTRE • Meaning of cost centre • Create, display, alt and delete cost category • Create, display, alt and delete cost centre **SKILLS:** • Communication skill • Interaction skill • Presentation skill	*The learner will be able to:* • Define cost categories • Create cost categories • Display cost categories • Alter cost categories • Delete cost categories • Define cost centres • Create cost centres • Display cost centre • Alter cost centre • Delete cost centre	• Group discussion • Interactive video • PPT on cost category and cost centre • Interaction with expert • Class test • Assignments	• Notes in the activity log. • Response in group discussion • Involvement in interaction. • Checking assignments. • Evaluation of test paper

ACCOUNTS WITH INVENTORY • Meaning of stock group • Create, display, alt and delete stock group • Meaning of stock category • Create, display, alt and delete stock category • Meaning of stock item • Create, display, alt and delete stock item and multiple stock item **SKILLS:** • Communication skill • Interaction skill • Presentation skill • Critical thinking	*The learner will be able to:* • Explain Accounts with inventory • Identify stock groups • Create stock groups • Create stock categories • Display stock categories • Alter stock categories • Delete stock categories • Define stock item • Create stock item • Create multiple stock items • Display stock items • Alter stock items	• Group discussion • Interactive video • PPT on stock group, category and item • Class test • Assignments . .	• Notes in the activity log. • Response in group discussion • Checking assignments • Checking test paper
GODOWN AND UNIT OF MEASURE • Create,display and alt godown • Create, display and alt multiple godowns • Create,display and alt unit of measure **SKILLS:** • Observing skill • Communication skill • Interaction skill • Presentation skill	*The learner will be able to*: • Create godowns • Display godowns • Alter godowns • Create multiple godowns • Display multiple godowns • Alter multiple godowns • Define units of measure • Create units of measure • Display units of measure • Alter units of measure	• Group discussion • Interactive video • PPT on godown creation • Assignments	• Notes in the activity log. • Response in group discussion • Checking assignments

ASSESSMENT ACTIVITY

1. The cost category creation screen has 4 items. List them in the following table

Cost category screen items are:
1.
2.
3.
4.

2. Present a seminar and prepare a seminar report on 'stock category, stock group and stock item'
3. List out the path involved in the following case
   - Create stock category   =>
   - Alt stock group   =>
   - Delete stock item =>
4. Give lab assignment to alt one stock group, edit stock category, delete one stock item from the company in Qn.2 given in the students reference text.
5. A table showing the unit of measure creation window is given below. Fill the missing data

Type	?
?	abbreviated form by which a stock item is identified
Formal name	?
?	?

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Practical record
- ❖ Assignments
- ❖ Field visit report

EXTENDED ACTIVITIES

Visit any firm using Tally for accounting purpose and collect the stock and godown related data and create a company with that details

UNIT3.7 - ORDERS, INVOICES AND REPORTS

As a part of Enterprise Resource Planning, Tally ERP9 provides facility to create Invoices, Orders and even Cheque printing of various banks. Various types of reports required to a user relating to business may be generated. Reports in the form of Financial statements in vertical and horizontal forms, Funds flow and Cash Flow Statements, Ratio analysis etc. can also be generated. The data in Tally can be exported to other softwares such as Ms excel,XML,HTML,PDF format etc. required for MIS. Let's discuss how Tally help us to generate various Invoices, Orders and other Financial Reports

UNIT NAME	UNIT3.7 - ORDERS, INVOICES AND REPORTS		Periods 50
IDEA/CONCEPT/ SKILL	LEARNING OUTCOME	SUGGESTED ACTIVITIES	ASSESSMENT
ORDERS • Create, alt and delete purchase order • Create, alt and delete sales order **INVOICE** • Invoice and voucher • Invoice entry • Invoice configuration • Invoice printing • Cheque printing **SKILLS:** • Communication skill • Interaction skill • Presentation skill	*The learner will be able to*: • Understand purchase order • Create purchase order • Display purchase order • Alter purchase order • Delete purchase order • Understand sales order • Create sales order • Display Sales order • Alter sales order • Delete sales order • View order positions • Understand invoices • Activate invoicing • Make invoice entry • Configure invoices • Print invoices • Print cheque	• Group discussion • PPT on purchase order creation • Online tutorial • Interactive videos • PPT on invoice and vouchers • Class test • Assignment	• Notes in the activity log. • Response in group discussion • Response on online tutorials • Response on videos • Evaluating test paper • Checking assignments

REPORTS	*The learner will be able to:*		
• Trial balance • Balance sheet • Profit and loss account • Day book • Bank reconciliation statement **SKILLS:** • Communication skill • Interaction skill • Presentation skill	• Identify the reports generated in tally • Generate reports • Display Trial Balance • Configure Trial Balance • Configure Balance Sheet • Configure Profit and Loss account • Display P&L account and Balance Sheet • Display Day Books • Prepare Bank Reconciliation Statement	• Group discussion • PPT on reports • Assignments • Class test	• Notes in the activity log. • Response in group discussion • Checking assignments

ASSESSMENT ACTIVITIES

1. Summarise the steps involved in the creation of purchase order.

2. Fill the missing data in the table given below

FIELDS IN THE CREATE PURCHASE ORDER WINDOW	Party's account name
	?
	?
	Due on
	?
	?
	Rate of duty

3. Prepare sales invoice when 50 shirts are slod to M/s AK Textiles @ Rs.1400/-Invoice No.3002 in the question given in the students reference text.

LIST OF PORTFOLIO

- ❖ Activity log

- ❖ Printed Purchase order created

- ❖ Printed sales order created

- ❖ Printed balance sheet and Profit and Loss account.

- ❖ Practical record

- ❖ Assignments

EXTENDED ACTIVITIES

Visit any organization   to collect Bank statement and bank ledger account for a month and prepare BRS in Tally

UNIT 3.8 - QUICK BOOKS

QUICKBOOKS is one of the most popular accounting softwares developed by Intuit, a US based company in 1983. QuickBooks is designed for those who are unfamiliar with accounting or book keeping. Simply enter our sales and expenses, and QuickBooks will do the rest. In a few clicks, we can create invoices, estimates, statements, expense reports, and more. Keep all of our accounting data organized at our fingertips with QuickBooks. QuickBooks is an all-in-one small business financial management software to manage Customers, Suppliers, Employees, Inventory and Accounting.

QuickBooks has about 4.5 million users around the world. QuickBooks is a low cost high performance software which can help the small and medium size firms to manage the data and can provide all the required facilities in one time purchase.

Due to involvement of cloud computing technology, this software just needs network connectivity. One can operate it from any place and at any time. The data can be accepted from various devices. It can be said it's like an e-mail id which can be operated if one has internet connection. QuickBooks can be accessed from various devices including PC, Tablet, Mobile, etc. provided are connected to the internet. This chapter is designed to equip the learners capable of handling international accounting environment and help to seek jobs abroad.

UNIT NAME:	UNIT 3.8 QUICK BOOKS		Periods 50
IDEA/CONCEPT/ SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
INTRODUCTION TO QUICK BOOKS • Features of QB • Uses of QB • Set up company accounts • Customise for business **SKILLS** • Communication skill • Interaction skill • Presentation skill • Critical thinking skill • Judging skill	The learner will be able to: • Understand QB • List out the uses of QB • Identify the features of QB • Set up company • Customise business	• PPT on quick book details • Intuit interactive videos • Group discussion	• Notes in the activity log. • Response in group discussion • Response on PPT and videos • Involvement in group discussion

QB CENTER • Major centers- Customer center, Supplier center and Employee center • Other centers- Transaction center, Report center and Tax center **SETUP TAXES** **SETUP CUSTOMER** • Create new customer • Utility button- creating invoices, receive payment , estimate, credit note and delayed charges **SETUP SUPPLIERS** • Create new supplier • Utility button-Create invoice, expense, payment, cheque, bill, purchase order and debit note • Reports related to customers **SKILLS** • Communication skill • Interaction skill • Presentation skill • Critical thinking skill	*The learner will be able to:* • Define QB centre • List out QB centre • Set up service tax • Setup VAT • Setup customers • Create invoice, receipt, estimate and credit notes • Create customers • List out reports related to customers • Generate customer reports • Setup suppliers • Create invoice, payment, Purchase order and debit notes • Create suppliers • List out reports related to suppliers • Generate supplier reports • Work with transaction	• PPT on QB centre • Intuit interactive videos • Group discussion • PPT on setup taxes • PPT on setup customers • PPT on setup suppliers	• Notes in the activity log. • Response in group discussion • Response on PPT and videos • Involvement in group discussion
CHART OF ACCOUNTS • Navigation • Setting up of account numbers • Default accounts • Adding accounts • Editing accounts **QB reports** • Purposes of QB reports • Nature of QB online reports • Report categories **SKILLS** • Observation skill • Communication skill • Presentation skill • Critical thinking skill	The learner will be able to: • Navigate chart of accounts • Set account numbers • Identify default accounts • List out default accounts • Add accounts • Edit accounts • Identify QB reports • Understand the nature of QB online reports • List out types of reports • Generate all reports	• PPT on chart of accounts • Intuit interactive videos • Group discussion • Class test • Assignments • PPT on QB reports • Intuit interactive videos	• Notes in the activity log. • Response in group discussion • Response on PPT and videos • Checking assignments • Checking test paper

ASSESSMENT ACTIVITY

1. List out the steps involved in the creation of QB online company accounts.

2. QuickBooks is developed by intuit in----------

    a) 1993   b) 1973   c) 1983   d) 2003

3. Draw a chart showing uses of QuickBooks

4. Fill the table given below

QB Major centre	QB Other centre
Customer centre	Transaction centre
?	?
?	?

5. Present a seminar and prepare seminar report based on QB centres

6. Present a seminar and prepare a seminar report on QuickBook reports.

7. Print various QB reports

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Seminar report
- ❖ Printed QB reports
- ❖ Survey reports.

EXTENDED ACTIVITIES

Conduct a survey in the nearby city to identify the organisations using QUICKBOOKS and prepare a survey report.

OVERVIEW OF MODULE 4: TAXATION

Tax is the major source revenue of almost all the countries in the world. Tax is assessed on the income or profit earned by individuals, firms, companies and other artificial juridical persons.Sufficient skill is required to carry out the assessment of tax, deduction and remittance of tax and for comply other statutory requirements with respect to taxation. All types of business establishments seek personnel having skill and knowledge in accounting as well as taxation. Often accounts assistants have to carry out the works relating to taxation. Hence To become an accounts assistant, one should have basic knowledge not only in accounting but in taxation and should possess the tax practicing skill also. Accounting of taxes becomes an integral part of accounting system in the world. The law relating to taxation is different in different countries, however this module aims to impart the basic tax knowledge in Indian scenario. This module is designed to provide both direct and indirect taxation knowledge to the learners so that their skill can be used by business enterprises, commercial tax practitioners and income tax practitioners. The learners at this stage are expected to have the ability to handle IT needs of business organization, prepare accounts manually, and also have the ability to prepare accounts through accounting softwares. Hence the taxation knowledge will improve the quality of learners which enhances the entry level opportunity and also it becomes a stepping stone for professional growth to learners.

UNIT 4.1 INTRODUCTION TO TAXATION

Basic understanding of taxation is very much important for an accounts assistant. This chapter aims to provide basic taxation knowledge. Coming pages of this chapter discuss the need and importance of tax as well as how the taxes are classified. Learners will get an understanding of the concept of Cess and Surcharge also.

UNIT NAME:	UNIT 4.1 INTRODUCTION TO TAXATION		Periods 20
IDEA/CONCEPT/SKILL	LEARNING OUTCOME	SUGGESTED ACTIVITIES	ASSESSMENT
MEANING OF TAX **NEED FOR TAX** **CLASSIFICATION OF TAX** • Direct Taxes • Indirect Taxes • Differences between Direct Tax and Indirect Tax **MEANING OF CESS AND SURCHARGE** SKILLS: • Communication skill • Interaction skill • Presentation skill • Critical thinking skill • Judging skill	The learner will be able to: • Understand the meaning of tax • Analyse the need for taxation • Classify the taxes • Define direct tax and indirect tax • Differentiate between direct tax and indirect tax • List out various direct and indirect taxes • Explain Cess. • Explain surcharge.	• Group discussion • PPT on tax and its classification • Seminar on tax and its classification	• Notes in the activity log. • Response in group discussion • Seminar report • Response on PPT

ASSESSMENT ACTIVITIES

1. Prepare seminar report on the topic 'classification of tax'

2. Debate on the topic 'tax is a boon or curse for economic development '

3. Present a seminar on the topic "tax is the price which we pray for the civilized society".

LIST OF PORTFOLIO

❖ Activity log
❖ Seminar report
❖ Notes prepared for debate

EXTENDED ACTIVITY

Arrange an interaction with an expert in the field of income tax or commercial tax. Learners can be asked to come with prepared questions for interaction.

UNIT 4.2 INCOME TAX

Income tax is an important element of accounting and taxation. This chapter deals with the relevance, importance and methodology of Income Tax practice. A simplified methodology is adopted to make the learner at this level to acquire the basic knowledge of Income Tax. Since Income Tax practicing is based on the Income tax laws and rules, an adequate coverage for the same has been given. The basic terms of Income Tax Act, heads of income, residential status etc. are covered in this module . An attempt is made to equip the learners with the ability of computing salary income and applying deductions allowed under the Income Tax Act.

UNIT NAME:	UNIT 4.2. INCOME TAX		Periods 100
IDEA/CONCEPT/ SKILL	LEARNING OUTCOME	SUGGESTED ACTIVITIES	ASSESSMENT
MEANING OF INCOME TAX **INCOME TAX ACT 1961** **INCOME TAX RULES 1962** **BASIC TERMS** • Person • Assessee • Previous Year • Assessment Year • Heads of income • Income • GTI • TI SKILLS: • Communication skill • Interaction skill • Presentation skill • Critical thinking skill • Judging skill	The learner will be able to: • Define income tax • Analyse the content of income tax Act • Explain income tax rules • Define basic terms in income tax • Categorise heads of income • Differentiate GTI and TI	• Group discussion • PPT on basic terms • Assignment • Class test	• Notes in the activity log. • Response in group discussion • Response on PPT • Assignment checking • Evaluating test paper
GENERAL CHARGING SECTION **RESIDENTIAL STATUS** • Basic Conditions • Additional Conditions • Determination of Residential Status • Scope of Income Tax	The learner will be able to: • Explain the general charging section • Understand residential status • Determine residential status • Illustrate the scope of income tax based on residential status	• Group discussion • PPT on conditions • Assignment • Class test • Seminar	• Notes in the activity log. • Response in group discussion • Response on PPT • Assignment checking • Evaluation of seminar

based on Residential Status **INCOME EXEMPTED FROM TAX** (fully exempted only) **INCOME UNDER THE HEAD SALARY** **TAXABLE PORTION OF HRA** **COMPUTATION OF GTI** SKILLS: • Communication skill • Interaction skill • Presentation skill • Critical thinking skill • Judging skill	• Summarise incomes exempted fully from tax • Compute income from salary • Compute taxable portion of HRA • Calculate GTI		• Evaluation of test paper
DEDUCTIONS • Professional Tax • Interest on housing loan • Deductions under section 80C • Deductions under section 80D **PAN-MEANING AND FEATURES.** **COMPUTATION OF TI AND TAX LIABILITY** • Computation of TI • Income Tax Rates • Rebate under Sec87A • Computation of Income Tax for citizen, Senior Citizen and Super seniors **METHODS OF REDUCING TAX LIABILITY** SKILLS • Communication skill • Interaction skill • Presentation skill • Critical thinking skill • Judging skill	The learner will be able to: • Understand the deduction of professional tax • Make deduction of interest on housing loan. • List out the deductions under section 80C • List out the deductions under section 80D • Define PAN • Describe the features of PAN • Understand tax rates • Calculate total income • Use Rebate under Sec 87A • Compute Income Tax for Citizen, Senior Citizen and Super seniors • Plan to reduce the tax liability	• Group discussion • PPT on deductions • Assignment • Class test • Seminar	• Response in group discussion • Response on PPT • Assignment checking • Evaluation of seminar • Evaluation of test paper

ASSESSMENT ACTIVITY

1. Gross total income reduced by the deductions under Sec. 80C to 80U is -----------

2. Fill in the blanks

    a) 2016-17   -   ?

    b)   ?   - Previous year

3. Present a seminar and prepare a seminar report on the topic "basic terms under Income Tax Act'

4. An assessee commences his business on :

    1. 1st October 2016.

    2. 1st December 2016

    3. 1st February 2017.

    State the assessment year and previous year of the above cases.

5. Under Sec. 10(13A) ,least among the following is exempted from actual HRA received.

    i.   ?
    ii.   Rent paid in excess of 10% salary
    iii.   ?

6. Fill in the blanks

Fully exempted incomes	Fully taxable allowances
Agricultural income	DA
?	?
?	?
?	?

7. Prepare a statement showing GTI and TI of Mr. Felix in question given in the students reference text if his   basic pay is Rs.52500/month

8. Fill in the blanks

CITIZEN	Income tax exemption limit
Below the age of 60	?
Above the age of 60 but below 80	?
Above the age of 80	?

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Practical record
- ❖ Printed statement of GTI calculation
- ❖ News paper cutting regarding tax rates in budgets.
- ❖ Seminar reports

EXTENDED ACTIVITY

1.Visit income tax website to know the latest rates, rules and provisions and initiate a discussion.

2. Display video or news paper report on budget high lights presented in the parliament

UNIT 4.3. ADVANCE TAX, TDS AND TAX RETURNS

With a view to mobilse revenue for effective administration, government has to ensure timely remittance of income tax by tax payers. Advance Tax and deduction of tax at the source (TDS) are the main tools used for this. For certain types of incomes, it is made compulsory to deduct tax at source and remit the same within the prescribed time. This chapter aims to provide enough knowledge to the learner about the concept of TDS, Advance tax, the percentage of TDS and the date of remittance of TDS. Assessment of income tax and filing of tax returns are made compulsory under the Income Tax Act. Now the tax payers have to do E-filing of tax returns. This chapter also aims to create adequate knowledge about the procedure of E-filing of income tax return.

UNIT NAME:	UNIT 4.3. ADVANCE TAX, TDS AND TAX RETURNS		Periods 100
IDEA/CONCEPT/SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
MEANING OF ADVANCE TAX • Liability for payment of advance tax • Payment of advance tax • Interest for default payment of advance Tax TDS • Date of Remittance of TDS • TDS Certificate • TDS applicable items and Rates • Form 26 AS • Filing quarterly Statement/Return • TDS exemption - Form 15G and 15H • TAN SKILLS: • Communication skill • Interaction skill • Presentation skill • Critical thinking	The learner will be able to: • Understand advance tax • Fix liability for payment of advance tax • Determine interest for default. • Explain TDS • List out TDS applicable items • Summarise the TDS rates • Analyse TDS exemptions • Apply form 15G and 15H • Understand TAN	• Group discussion • PPT on Advance tax and TDS • Seminar. • Class test	• Notes in the activity log. • Response in group discussion • Response on PPT • Evaluation of seminar report • Evaluation of test paper.

INCOME TAX ASSESSMENT	The learner will be able to:	• Group discussion	• Notes in the activity log.
• Types of assessment	• Understand assessment	• PPT of assessment and return	• Response in group discussion
INCOME TAX RETURNS	• Classify assessment		
• Types of returns	• Define income tax returns	• Seminar	• Response on PPT
	• Prepare Tax return	• E-filing	
E-FILING OF INCOME TAX RETURNS.	• Prepare Form 16 and Income Tax Statement.	• Class test	• Performance in e- filing
• Types of e-filing	• List out different types of returns		• Evaluation of seminar report
• Process of e-filing	• Summarise the procedure for e-filing		• Evaluation of test paper
• Steps to file ITR Online	• List out the steps involved in e-filing.		
SKILLS:	• Make e-filing		
• Communication skill			
• Interaction skill			
• Presentation skill			
• Critical thinking			

ASSESSMENT ACTIVITY

1. TAN stands for-----------
2. Fill the due date for filing TDS return in the table given below

Quarter of the financial year	Due Date
I Quarter (April to June)	?
?	15th October
III Quarter(October to December)	?
?	?

3. Present a seminar and prepare a seminar report on the items applicable for TDS.

4. Find out who uses the ITR in the following cases

ITR 1	For individuals having income from salary/pension/Family pension & Interest.
ITR 2	
ITR 3	
ITR4	
ITR 5	
ITR 6	
ITR 7	
ITR V	

5. Prepare a seminar report on e-filing of return

LIST OF PORTFOLIO

- ❖ Seminar report
- ❖ Activity log
- ❖ Practical record
- ❖ Printed tax returns
- ❖ Collected form 16
- ❖ Collected income tax statement

EXTENDED ACTIVITIES

1. Arrange an interaction with expert in the field of tax practicing.

2. Display of Form 15G, Form 15H,Form16 and Income tax statements.

3. Collect form 16 of two government employees and prepare income tax statement

UNIT 4.4 VALUE ADDED TAX

(**_This chapter must be replaced with GST once it is implemented_**)

Tax on the goods manufactured and sold constitute a major source of revenue of the government. They are indirect taxes and the major components of indirect taxes are Value Added Tax and CST. To become an efficient accounts assistant, one should know the law and practices of VAT and CST. Almost all the states in India have their own VAT rules. In case of interstate sales CST is applied and for intra state sales VAT rules are applicable. The entire concept of CST, VAT, Service Tax etc. are expected to be revamped and replaced with GST in near future. Until it happens learning of VAT and CST rules becomes very crucial for professionals in the accounting and taxation field. This chapter aims to provide an adequate knowledge of laws relating to VAT and CST among the learners. In the coming lines the learners can see how the VAT returns are filed and the forms used for filing VAT returns.

UNIT NAME:	UNIT 4.4 VALUE ADDED TAX		Periods 100
IDEA/CONCEPT/SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
VALUE ADDED TAX • Introduction of VAT • Meaning of VAT **Basic terms in KVAT** **Input tax and output tax** **VAT Schedules.** **Presumptive Tax** **Compounding of VAT** **Input Tax Credit** • Eligibility for claiming input tax credit • Dealers not entitled for Input Tax credit • Tax Invoice • Records • Audit SKILLS: • Communication skill • Presentation skill • Critical thinking skill	The learner will be able to: • Define VAT • Explain KVAT Act • Analyse VAT Rules • Explain basic terms used in KVAT • Define input tax and output tax • Summarise VAT schedules • List out VAT rates • Categorise commodities falling under different VAT rates • Explain compounding of tax • Apply input tax credit	• Group discussion • PPT on VAT • Seminar on basic terms • Class test • Online tutorial	• Notes in the activity log. • Response in group discussion • Response on PPT • Performance in seminar presentation • Evaluation of test paper

Computation of VAT Procedure for e-filing VAT returns Liability for registration Procedure for registration • Documents required The CST • Meaning of CST • Liability to tax on inter-state sales • CST Rate • Prescribed forms under CST • Difference between CST and VAT SKILLS: • Communication skill • Interaction skill • Presentation skill • Critical thinking skill	• Calculate VAT • Prepare VAT returns • Explain procedures for registration • List out the documents required for registration. • Explain the meaning of CST • Summarise the liability of CST • List out CST rates • Differentiate between CST and VAT	• Group discussion • PPT on CST • Class test • Online tutorial • Work sheet on tax calculation • PPT on procedure of e-filing	• Notes in the activity log. • Response in group discussion • Response on PPT • Evaluation of test paper

ASSESSMENT ACTIVITY

1. Present a seminar and prepare a seminar report on basic VAT terms

2. List out the VAT rates or items of the VAT Schedules

Schedule	Rate /items
First Schedule	?
Second Schedule	?
Third Schedule	?
Fourth Schedule	?
Residuary	?

3. Prepare seminar report on the topic 'VAT rates are determined by state budget'.

4. The point of difference between VAT and CST is given below. Fill the difference

Point of difference	VAT	CST
Administration	?	?
Chargeability	?	?
Point of Taxation	?	?
Tax Credit	?	?
Exemption from Tax	?	?
Scheme of Compounding of tax	?	?

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Seminar report
- ❖ Collected budget reports
- ❖ Practical record
- ❖ Project report

EXTENDED ACTIVITY

1. Arrange an interaction with expert.
2. Show live videos from commercial tax web sites.
3. Collect budget reports on VAT rates
4. Mini project of collecting purchase and sales details of two different VAT dealers in a month and prepare form 10 to be filed by them

UNIT 4.5 OTHER INDIRECT TAXES

In order to execute various job roles in manufacturing and service sector industries a person must know all the relevant taxes prevailing in the economy. Indian tax system comprises various indirect taxes other than VAT and CST. Among them the important taxes are Service tax, Excise duty and Customs duty. Knowledge of services applicable for taxes, the rates of tax and the legal statutory compliance with respect to Service tax, Customs duty and Excise duty will be an added advantage to the accounts executives. This chapter aims to equip the learner with the basic knowledge about Service tax, Excise duty and Customs duty.

UNIT NAME:	UNIT 4.5 OTHER INDIRECT TAXES		Periods 20
IDEA/CONCEPT/SKILL	**LEARNING OUTCOME**	**SUGGESTED ACTIVITIES**	**ASSESSMENT**
Service Tax • Meaning of service • Charge of service Tax • Valuation of services • Who pays service tax • Due date for payment of service tax • Interest for delay • Service tax returns **Excise Duty** • Meaning and concept of excise Duty • Levy of excise duty • Charge of Excise duty • Basic Conditions for Levy of Excise duty • Due dates for Payment of Excise duty Customs Duty • Meaning of Customs duty • Importance of Customs duty • Types of Customs duty • Levy of Customs duty • Rate for duty and due date of filing Returns. • Distinction between excise duty and customs duty • Distinction between excise duty and CST SKILLS: • Observation skill • Communication skill • Interaction skill • Presentation skill	The learner will be able to: • Explain service tax • Define service provider and receiver • Identify chargeability of service tax • List out taxable services • Identify rates of service tax • Explain excise duty • Summarise the scope of excise duty • Identify chargeability of excise duty • Explain the basic conditions for levying excise duty • Explain customs duty • Identify the need of customs duty • List out the scope of customs duty • Identify chargeability of customs duty • Understand the rate of duty and due date of filing returns.	• Group discussion • PPT on list of taxable services • Seminar • Class test • PPT on excise duty	• Notes in the activity log. • Response in group discussion • Response on PPT • Performance in seminar presentation

ASSESSMENT ACTIVITY

1.Prepare seminar report on the topic indirect taxes other than VAT.

2. List any 5 taxable services.

3.State the basic conditions for the levy of excise duty.

4.Distinguish between excise duty and customs duty.

LIST OF PORTFOLIO

- ❖ Activity log
- ❖ Seminar report
- ❖ Collected service tax, excise duty or customs duty returns.
- ❖ Printed tax returns.

EXTENDED ACTIVITIES

1.Prepare a mini project on the applicability of excise duty or customs duty based on field visit to a manufacturing unit or export unit

2.Visit any service organization, Manufacturer ,importer or exporter and collect returns related to service tax, excise duty and customs duty.

ON THE JOB TRAINING

On the job training can be described as the process of teaching the learners to complete the key activities needed for their skill area after they are trained in the class room. It is simply a more experienced employee sitting with an inexperienced learner to teach them how to do something. OJT is included in VHSE curriculum that aims to train and orient students about the work and their future career. OJT is very important not only to teach students their chosen skill but to show the reality of work. Since this curriculum envisages skill's training and focus on employability of learners in the skill sector and job roles, OJT has a pivotal role to play. A 24 days/4 weeks OJT is to be conducted flexibly during the course. The learner can be given choice of selecting the skill to be practically familiarized through OJT. The skills focused in this course have immense opportunity for OJT in Govt offices and departments. A strict government direction in this regard is a must. Moreover, Tax Practitioners firms, CA firms and any other private trading or manufacturing organization can be used for this. It is very easy to identify local OJT centers for the skill. A tie up with sector associations or professional bodies like ICAI, KVVES, Chamber of Commerce, FICCI, KSTPA etc. must be initiated.

Now a days, most of the learners having good academic records are often rejected by employers due to the lack of practical knowledge. OJT contributes to upgrade skills that are particularly important for accounting and taxation job, emphasizing a learning by doing approach. The successful completion of OJT will enhance enthusiasm and confidence of the learners which attracts employer's attention.

GUIDE LINES FOR OJT

- ➢ The OJT Centre must be selected to impart the specified skills proposed in this curriculum.

- ➢ The OJT Centres can be CA firms, Commercial Tax Practitioner office, Local fund Audit Department, Public Sector undertakings, Tax departments, Accounts department of any organization etc.

- ➢ OJT must be arranged in such a way that the learner should get exposure in Tally

- ➢ Exposure in taxation and E-filing of returns should be ensured

- ➢ Familiarising the legal documents and official correspondence should be included

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