



# RAMA UNIVERSITY

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**FACULTY OF COMMERCE AND MANAGEMENT**

**COURSE: B.COM VI SEM.**

**SUBJECT: Corporate Tax Planning**

**SUBJECT CODE: BCH 403**

**LECTURE: 38**

**NAME OF FACULTY: DR. PALASH BAIRAGI**

## LECTURE-38



## ADVANCE TAX

Advance tax means income tax should be paid in advance instead of lump sum payment at year end. It is also known as pay as you earn tax. These payments have to be made in instalments as per due dates provided by the income tax department.

### Who should pay Advance Tax?

**Salaried, freelancers and businesses**– If your total tax liability is Rs 10,000 or more in a financial year you have to pay advance tax. Advance tax applies to all taxpayers, salaried, freelancers, and businesses. Senior citizens, who are 60 years or older, and do not run a business, are exempt from paying advance tax.

**Presumptive income for Businesses**–The taxpayers who have opted for presumptive taxation scheme under section 44AD have to pay the whole amount of their advance tax in one instalment on or before 15 March. They also have an option to pay all of their tax dues by 31 March.

**Presumptive income for Professionals**– Independent professionals such as doctors, lawyers, architects etc. come under the presumptive scheme under section 44ADA. They have to pay the whole of their advance tax liability in one instalment on or before 15 March. They can also pay the entire amount by 31 March.

Read in detail about presumptive taxation here [Want a CA to calculate and help pay your advance tax dues?](#)

### Due Dates for payment of Advance Tax

#### FY 2019-20 & FY 2018-19 for both individual and corporate taxpayers

Due Date	Advance Tax Payable
On or before 15th June	15% of advance tax
On or before 15th September	45% of advance tax less advance tax already paid

<b>Due Date</b>	<b>Advance Tax Payable</b>
On or before 15th December	75% of advance tax less advance tax already paid
On or before 15th March	100% of advance tax less advance tax already paid

**For taxpayers who have opted for Presumptive Taxation Scheme under section 44AD & 44ADA – Business Income**

<b>Due Date</b>	<b>Advance Tax Payable</b>
On or before 15th March	100% of advance tax

Our Tax Experts will calculate your advance tax liability so you can pay your dues on time.