

## ABSTRACT

### A STUDY OF CERTAIN DEDUCTIONS ON INCOME TAX RELATING TO FOREIGN TRADE

**\*SIDHAARTH.L.N**

This doctrinal paper shall cover certain deductions and concessions to income tax under Section 10 of the Income Tax Act 1961. These are primarily aimed at one goal; boosting foreign trade relations as befits the liberalized policy of India since 1991. The specific legal rules governing these deductions shall be brought out through provisions and case laws. This is done because the author is personally against taxation and wishes to develop an understanding on what some of the situations are for having one's income tax be legally avoided or reduced. In specific, the author wishes to consider possible lenience mechanisms in taxation of wealthy and affluent persons and enterprises. This understanding would be significant to the appropriate fields of professions covered, viz foreign nationals trading on Indian soil in designated areas.

#### CHAPTERIZATION:

##### 1) Deductions for the National Economy:

This chapter shall cover deductions allowed for free trade zones and special economic zones. It shall attempt to discover the rationale behind these provisions.

##### 2) Concluding Opinions:

By collating the understandings of the above chapter with respect to the rationale behind such laws, the author submits his understanding of the situation, the justifications for the same and alternative suggestions.