

B. Com Part - III
Subject - Taxation

Topic - Tax-Planning
Part-II

Following are the main objectives of Tax-Planning:

1. To Reduce Tax-burden of the Assessee;
The main objectives of the tax-planning assessee is to reduce tax-burden of the assessee. The assessee takes advantage of various deductions and rebate to bring down the liability of tax-burden.
2. Increase in Savings; An assessee wants to save ~~deposit~~ money for future requirements, ~~for~~ for this purpose, assessee invest the money to get the tax benefit with proper tax planning. Then in this way the amount of tax not paid increases the savings of the assessee.
3. To increase in standard of living; The assessee wants to increase his prosperity and standard of living.

4. Future safety: The assessee wants to make financially strong in future. For this purpose he save money and takes benefits from tax liability.
 5. Economic stability: Tax-planning is also helpful to bring stability in economic condition of the country.
 6. Knowledge of Productive Investment: This is also an objective of tax planning, it provides the knowledge of productive investment.
 7. Healthy Economy: The amount saved from the tax by the tax payer doing tax planning is to be appropriated in the various projects of the government which makes the country's economy healthy.
 8. Other objectives:
 - (i) Minimisation in litigation
 - (ii) Minimisation Black Money
 - (iii) Minimisation in economic crime
 - (iv) Increase in gross domestic ~~product~~ production
 - (v) Minimisation in Regional differences of Economic Development.
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