

**FPSB<sup>®</sup> Retirement and Tax Planning  
Specialist Guide**

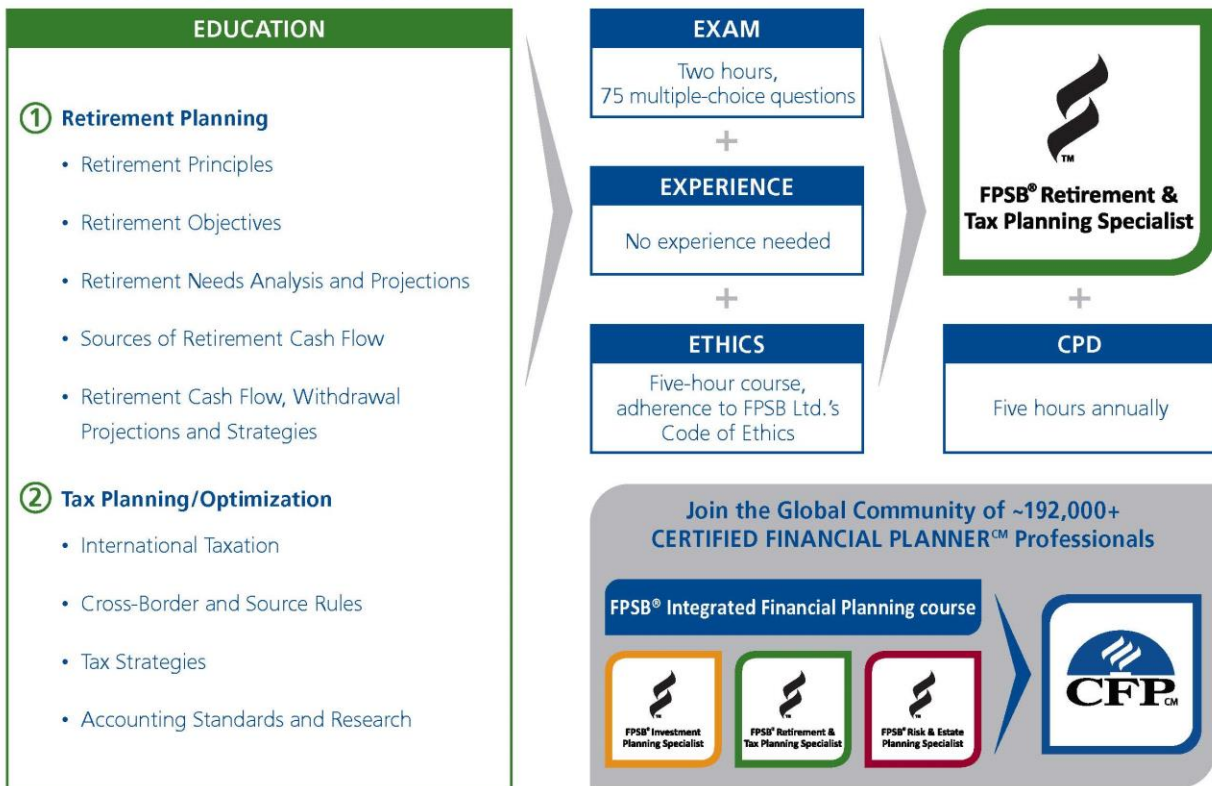


## FPSB™ Retirement and Tax Planning Specialist

Are you ready for a world-class learning experience brought to you by Financial Planning Standards Board Ltd., the standards-setting body for the global financial planning profession? Taken either online or with an instructor, FPSB Ltd.'s retirement and tax planning course prepares you to develop strategies to optimize your clients' wealth accumulation and cash flow leading up to and during retirement, as well as advise on the role of tax planning in supporting client goals.

The course teaches you to consider your clients' personal financial goals, risk tolerance and risk capacity, asset locations, the structure and impact of public and private retirement plans, and how taxation will affect your clients' financial situation and goals. To be recognized by employers, clients and the public for your knowledge and competency in retirement and tax planning, complete the roadmap below to obtain FPSB® Retirement and Tax Planning Specialist certification in India.


### The Roadmap to Certification



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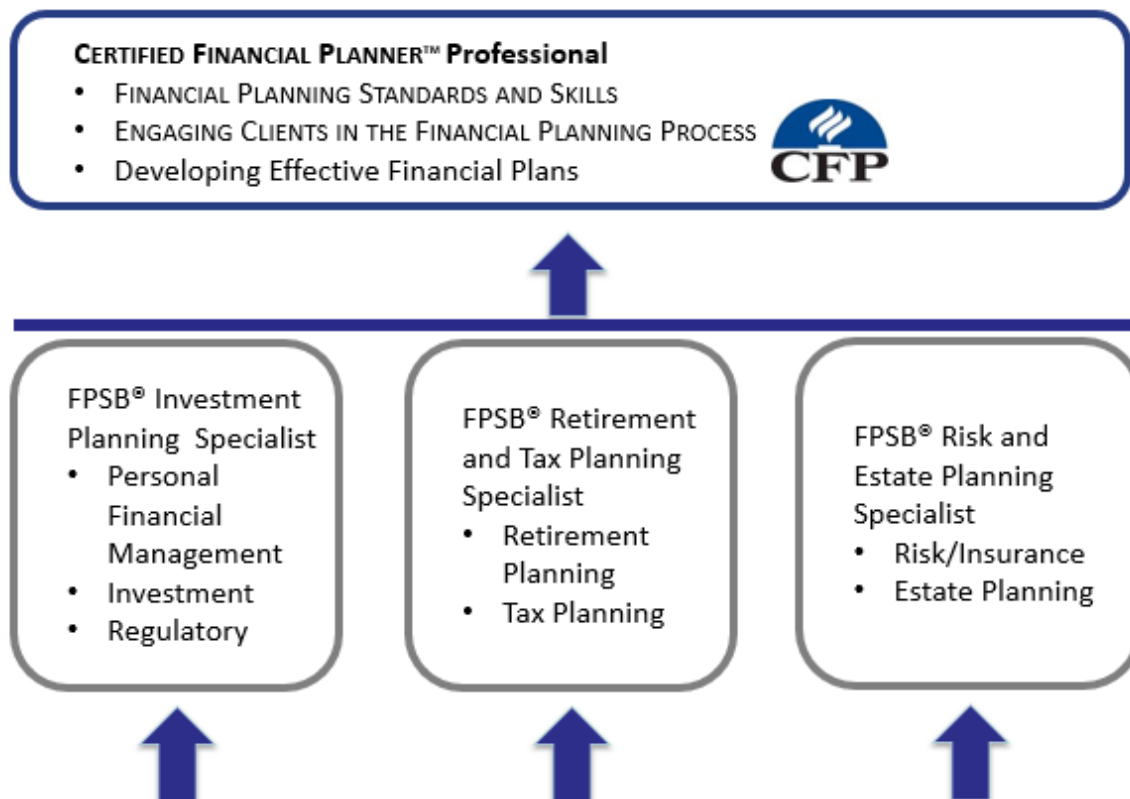
## About FPSB Ltd. and FPSB Programs in India

Financial Planning Standards Board Ltd. (FPSB) is the global standards setting body for financial planning and owner of the CFP<sup>CM</sup>, CERTIFIED FINANCIAL PLANNER<sup>CM</sup> and  marks outside the United States. FPSB is proud to offer FPSB's Retirement and Tax Planning Specialist program, one of three pathway courses to CFP certification in India:

- FPSB® Investment Planning Specialist
- FPSB® Risk and Estate Planning Specialist
- FPSB® Retirement and Tax Planning Specialist

Each certification carries its own stand-alone coursework, exam and credential. Importantly the coursework required for FPSB's pathway certifications also fulfills part of the required education for CFP<sup>CM</sup> certification in India.

Interested professionals can begin their journey toward CFP certifying by registering with FPSB to begin the coursework for any of the three pathway certifications (in any order). This guide will focus on the **FPSB Retirement and Tax Planning Specialist** certification.



For more information about FPSB and its certification programs in India, please visit [www.india.fpsb.org](http://www.india.fpsb.org).

## FPSB® Retirement and Tax Planning Specialist Overview

### Take Your Career to the Next Level

Taken either online or with an instructor, the FPSB® Retirement and Tax Planning Specialist course prepares you to develop strategies to help clients optimize their wealth accumulation and cash flow leading up to and during retirement, and to advise on the role of tax planning in supporting client goals.

The course teaches you to consider your clients' personal financial goals, risk tolerance and risk capacity, asset locations, the structure and impact of public and private retirement plans, and how taxation will affect your clients' financial situation and goals. To be recognized by employers, clients and the public for your superior skills and knowledge in retirement and tax planning, complete the roadmap below to obtain FPSB® Retirement and Tax Planning Specialist certification in India.

### Steps to Initial Certification

The requirements for FPSB® Retirement and Tax Planning Specialist certification are as follows:

1. Successfully complete the FPSB Ltd. **Ethics** Course.
2. Successfully complete FPSB's **education** modules for:
  - Tax Planning
  - Retirement Planning
3. Pass the FPSB® Retirement and Tax Planning Specialist **exam**, which aligns to the topics identified in the FPSB Retirement and Tax Planning Specialist Competency Profile (Appendix A).
4. Complete your **certification application**, which includes your agreement to comply with FPSB Ltd.'s Code of Ethics and payment of an annual certification fee.

#### Step 1: Education

FPSB Retirement and Tax Planning Specialist			
1) Education	2) Exam	3) Ethics	4) Certification Application
3 Education Modes -Self-Paced Learning -Instructor-led Learning -Recognition of Prior Learning	Topics -Tax Planning -Retirement Planning  2 hours 75 multiple choice questions	FPSB Online Ethics Course	Application for certification  Agreement to abide by FPSB Code of Ethics

## Criteria to Register

Candidates who are at least age 18 and have completed HSC/12th pass (Std XII/HSC) may register with FPSB and begin the FPSB Retirement and Tax Planning Specialist education course. (Please also see Q#21 of Appendix D: Frequently Asked Questions). FPSB Registration should be at least 30 days prior to Exam Registration.

## Period for Course Completion

Individuals must complete the FPSB® Retirement and Tax Planning Specialist certification program within three years of first registering with FPSB Ltd. and must renew their registration on an annual basis. After three years in the system, FPSB Ltd. will consider the registration invalid. Candidates should consider the feasibility of completing the program in this timeline before registering.

Module	Name and Description
<b>Retirement Planning</b>	Through this module candidates will learn about key retirement principles and how to identify their client's retirement objectives and needs. Candidates will be prepared to develop strategies and use techniques for wealth accumulation and withdrawal during retirement years; taking into consideration asset locations and the client's personal financial goals, risk tolerance, risk capacity, and structure and impact of public and private retirement plans on the client's financial plan.
<b>Tax Planning</b>	In this module, candidates will learn about taxes and the various tax strategies they can apply with their clients. This course covers tax planning and optimization at the global and local level.

## FPSB Ltd. Educational Resources

FPSB Ltd. will provide program participants with digital textbooks, supplemental post-chapter practice quizzes, post-module exams and supplemental course materials through its online learning portal, *MyFPSBlearning*. All FPSB Ltd. education materials are aligned to the FPSB Retirement and Tax Planning Specialist learning objectives described in Appendix A. All candidates, regardless of education mode, are required to purchase these materials.

Global Modules/Chapters	
Retirement Planning	Tax Planning
1.1 Retirement Principles	2.1 International Taxation
1.2 Retirement Objectives	2.2 Cross-Border and Source Rules
1.3 Retirement Needs Analysis and Projections	2.3 Tax Strategies
1.4 Potential Sources of Retirement Cash Flow	2.4 Accounting Standards and Research
1.5 Retirement Cash Flow, Withdrawal Projections and Strategies	

India Specific Modules/Chapters	
Retirement Planning	Tax Planning
1.1 The Characteristic India Demography, Family and the Retirement Preparedness	1.1 India Tax Structure: Direct and Indirect Taxes
1.2 Pension Reforms in India	1.2 Income-tax Act, 1961: Concepts and Terminology
1.3 Retirement Products in India	1.3 Rules of Residency
1.4 Employee Benefits on Superannuation	1.4 What Constitutes Income From 'Salary'?
	1.5 Various Allowances and Their Exemption Limits
	1.6 Taxable Perquisites
	1.7 Income from House Property
	1.8 Income from Capital Gains
	1.9: Income from Other Sources
	1.10 Income Exempt from Tax
	1.11: Exemptions Available on Transfer of Long-term Capital Assets
	1.12 Permissible Deductions from Gross Total Income
	1.13: Profits and Gains of Business or Profession
	1.14 Tax Treatment of Various Investments and Relative Advantage
	1.15 Various Other Provisions Available under Tax Laws
	1.16 Computation of Taxable Income and Tax and Filing of Returns

## Education

Candidates may complete the FPSB® Retirement and Tax Planning Specialist education requirement and become eligible to sit for the certification exam in one of three ways:

### 1. Self-Paced Education

Candidates who register with FPSB and select “Self-Paced Learning” will receive a password for FPSB’s online learning portal, MyFPSB<sup>learning</sup>, where they can read and interact with FPSB’s various learning materials at their own speed and test their knowledge with quizzes and module tests to validate their learning experience. The self-paced education path may be most



appealing to experienced investment professionals or self-starters who enjoy studying on their own schedule.

\*Self-paced learners who do not pass all FPSB Retirement and Tax Planning Specialist module exams after the two attempts will be asked to pursue the instructor-led path by enrolling with an Authorized Education Provider (AEP).

## 2. Instructor-Led Education

Candidates who want an immersive educational experience with hands-on learning and access to an FPSB Authorized Education Provider should register for “Instructor-Led Learning” when signing up with FPSB. FPSB Authorized Education Providers offer both classroom and online education experiences. When registering with FPSB, individuals who sign up for instructor-led education will be asked to select from amongst FPSB’s authorized providers, which are also listed on the [FPSB Ltd. website](#).

Candidates who opt for FPSB’s instructor-led education can expect to receive the below teaching hours per module.

FPSB Retirement and Tax Planning Specialist Modules	Estimated Teaching Hours
Tax Planning	25
Retirement Planning	25
Minimum Hours of Education	50

## 3. Recognition of Prior Learning

Candidates who have already completed alternative coursework that covers the FPSB Retirement and Tax Planning Specialist learning objectives may be eligible to have that coursework recognized by FPSB as meeting the education requirement of its FPSB Retirement and Tax Planning Specialist Certification without completing the FPSB Retirement and Tax Planning Specialist course (either self-paced or instructor-led). Candidates wishing to have their prior learning recognized must submit satisfactory evidence that their prior coursework meets FPSB’s established learning objectives by holding any of the below qualifications or certifications. Candidates will be asked to select “Recognition of Prior Learning” when registering with FPSB and upload a copy of their current certificate in the MyFPSB*learning* platform.

Qualification/Certification Accepted for Education Recognition	Provider Institution
1 NISM Series XVII Retirement Adviser Certification Examination and Chartered Accountant (CA)	National Institute of Securities Markets (NISM) and Institute of Chartered Accountants of India (ICAI)



## Step 2. Exam

FPSB Retirement and Tax Planning Specialist			
1) Education	2) Exam	3) Ethics	4) Certification Application
<p>3 Education Modes</p> <ul style="list-style-type: none"> <li>-Self-Paced Learning</li> <li>-Instructor-led Learning</li> <li>-Recognition of Prior Learning</li> </ul>	<p>Topics</p> <ul style="list-style-type: none"> <li>-Retirement Planning</li> <li>-Tax Planning</li> </ul> <p>2 hours 75 multiple choice questions</p>	<p>FPSB Online Ethics Course</p>	<p>Application for certification</p> <p>Agreement to abide by FPSB Code of Ethics</p>

Upon successful completion of the FPSB Retirement and Tax Planning Specialist education requirement, whether through instructor-led or self-paced education course or through recognition of prior learning, candidates will be able to sit for the FPSB® Retirement and Tax Planning Specialist exam.

The exam assesses the level of knowledge, skill and ability needed to earn the FPSB® Retirement and Tax Planning Specialist credential, including the functions of collection, analysis and synthesis (detailed further below). Each question on the exam focuses primarily on a specific element of competency from the FPSB Retirement and Tax Planning Specialist Competency Profile (Appendix A), and may require integration across several competencies.

### Exam Overview

- 75 multiple-choice questions (4 possible answer choices), of which a minimum of 65 questions are potentially scored and up to 10 questions are used to develop future exams.
- Computer-based testing format
- Duration - two hours
- Financial calculators permitted (data must be erased)
- There will be two possible marks: correct, with points allotted; or incorrect, for zero points. Candidates will not have points deducted (referred to as 'negative marking')

### Exam Scoring

- The passing point on the FPSB® Retirement and Tax Planning Specialist exam is set to a level that is what is required for competent practice. Once set, future exams are equated to this same level so that candidates who take the exam one month have the same opportunity to demonstrate their abilities as candidates who take the exam a different month. The level of ability is what is consistent. This means that even if one exam is harder than another, the equating process gives every candidate the same opportunity to pass.

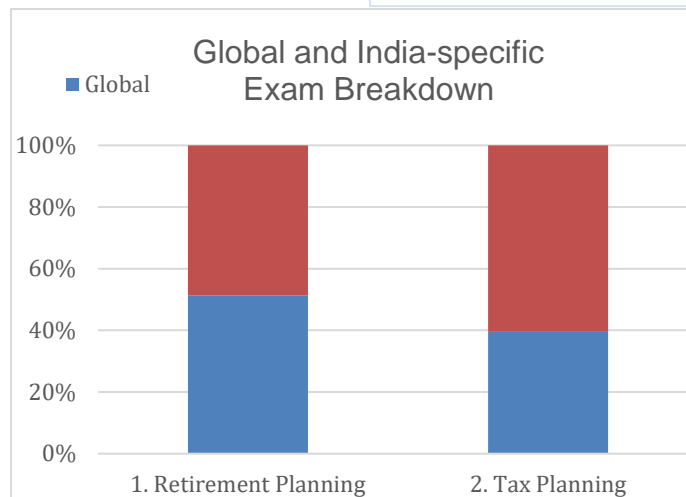
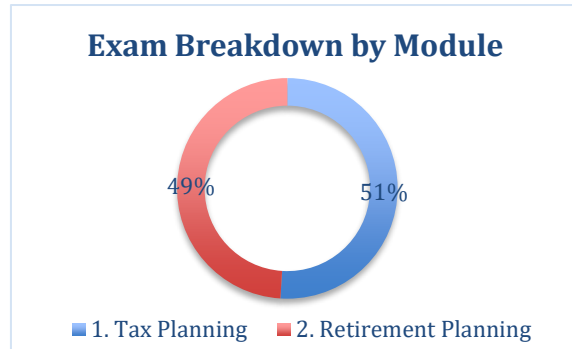
## Areas of Practice

The exam will test the following areas of practice, which are also described to in more detail in the FPSB Retirement and Tax Planning Specialist Competency Profile (Appendix A).

FPSB Retirement and Tax Planning Specialist Areas of Practice	
<p><b>Retirement Planning</b></p> <ul style="list-style-type: none"> <li>• Retirement Principles</li> <li>• Retirement Objectives</li> <li>• Retirement Needs Analysis and Projections</li> <li>• Potential Sources of Retirement Cash Flow</li> <li>• Retirement Cash Flow, Withdrawal Projections and Strategies</li> </ul>	<p><b>Tax Planning</b></p> <ul style="list-style-type: none"> <li>• International Taxation</li> <li>• Cross-Border and Source Rules</li> <li>• Tax Strategies</li> <li>• Accounting Standards and Research</li> </ul>
India Specific Modules/Chapters	
Retirement Planning	Tax Planning
<ul style="list-style-type: none"> <li>• The Characteristic India Demography, Family, and the Retirement Preparedness</li> <li>• Pension Reforms in India</li> <li>• Retirement Products in India</li> <li>• Employee Benefits on Superannuation</li> </ul>	<ul style="list-style-type: none"> <li>• India Tax Structure: Direct and Indirect Taxes</li> <li>• Income-tax Act, 1961: Concepts and Terminology</li> <li>• Rules of Residency</li> <li>• What Constitutes Income From ‘Salary’?</li> <li>• Various Allowances and Their Exemption Limits</li> <li>• Taxable Perquisites</li> <li>• Income from House Property</li> <li>• Income from Capital Gains</li> <li>• Income from Other Sources</li> <li>• Income Exempt from Tax</li> <li>• Exemptions Available on Transfer of Long-term Capital Assets</li> <li>• Permissible Deductions from Gross Total Income</li> <li>• Profits and Gains of Business or Profession</li> <li>• Tax Treatment of Various Investments and Relative Advantage</li> <li>• Various Other Provisions Available under Tax Laws</li> <li>• Computation of Taxable Income and Tax and Filing of Returns</li> </ul>

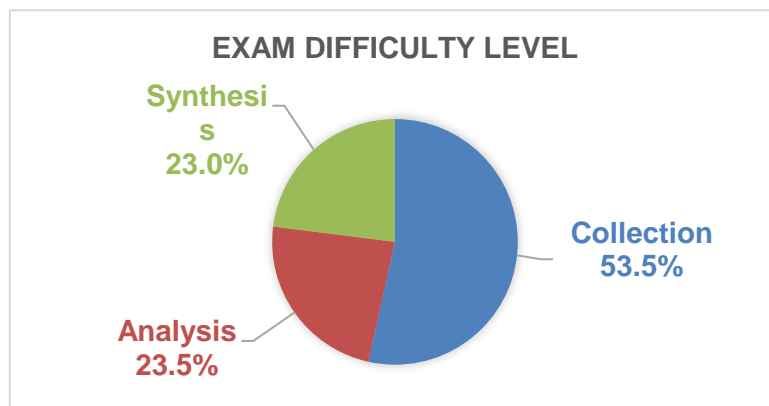
The FPSB Retirement and Tax Planning Specialist exam will test the knowledge, skills and abilities from the FPSB Retirement and Tax Planning Specialist education modules in the below proportions. However, there will not be specific sections allocated to the modules. Instead, questions relating to each module will appear in no specific order throughout the exam.

Likewise, although the FPSB Retirement and Tax Planning Specialist textbooks draw a distinction between “global” and “India-specific” education content, exam questions will not be specifically identified as such, and will appear in no specific order throughout the exam.



### Difficulty Levels

The FPSB Retirement and Tax Planning Specialist certification exam is designed to assess knowledge, skills and abilities in the areas of collection, analysis and synthesis in approximately the following proportions:



<p><b>Collection:</b> gathering information and identifying related facts by making required calculations and arranging client information for analysis. During the collection function, the core competency is to collect both the quantitative and qualitative information required to provide retirement advice.</p>	<p><b>Analysis:</b> considers issues, performs financial analysis and assesses the resulting information to be able to develop strategies for the client. This includes: (1) considering potential opportunities and constraints in developing strategies, and (2) assessing information to develop strategies.</p>	<p><b>Synthesis:</b> integrates the information needed to develop and evaluate strategies to create a retirement plan.</p>
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### Step 3. Ethics

FPSB Retirement and Tax Planning Specialist			
1) Education	2) Exam	3) Ethics	4) Certification Application
<p>3 Education Modes                      -Self-Paced Learning                      -Instructor-led Learning                      -Recognition of Prior Learning</p>	<p>Topics                      -Retirement Planning                      -Tax Planning                      2 hours                      75 multiple choice questions</p>	<p>FPSB Online Ethics Course</p>	<p>Application for certification                       Agreement to abide by FPSB Code of Ethics</p>

FPSB requires all individuals to successfully complete the FPSB Ethics course soon after they register in the FPSB® Retirement and Tax Planning Specialist course. This course is included with the purchase of the course material. Passing the Ethics course and abiding by Code of Ethics is a pre-requisite for holding the FPSB® Retirement and Tax Planning Specialist certification. It is required to be passed only once for holding one or more Specialist certifications and CFP<sup>CM</sup> certification. The FPSB Ethics course is conducted online in MyFPSB*learning*. The interactive FPSB Ethics Course consists of recorded instruction that can be taken in one or multiple sittings with knowledge checks throughout. *Once completed, the FPSB Ethics Course is valid for all FPSB Ltd. certifications offered in India.*

### Ethics Attestation

After candidates have passed the FPSB Ethic Course, they must, as part of the FPSB Retirement and Tax Planning Specialist certification process, attest and agree to abide by the FPSB Code of Ethics.

Introduction	Codes of Ethics
<p><u>Learning Objectives</u></p> <ul style="list-style-type: none"> <li>● Explain why financial services professionals should study ethics</li> <li>● Describe the difference between values and principles</li> <li>● Describe the relationship between ethics and the law</li> <li>● Describe a financial services professional</li> <li>● Identify characteristics of a professional</li> <li>● Evaluate the public perception of the financial services profession</li> </ul> <p><u>Knowledge Items</u></p> <ul style="list-style-type: none"> <li>● Why financial services professionals should study ethics</li> <li>● The difference between values and principles</li> <li>● Ethics and the law</li> <li>● Characteristics of a financial services professional</li> <li>● Public perception of the financial services profession</li> </ul>	<p><u>Learning Objectives</u></p> <ul style="list-style-type: none"> <li>● Identify the purposes of codes of ethics</li> <li>● Distinguish between the reasonable person standard and the professional practice standard</li> <li>● Identify the eight principles of FPSB’s Code of Ethics</li> <li>● Apply the principles of FPSB’s Code of Ethics to various case studies and examples</li> <li>● Construct a personal code of ethics</li> </ul> <p><u>Knowledge Items</u></p> <ul style="list-style-type: none"> <li>● The purpose of a code of ethics</li> <li>● Business conduct standards</li> <li>● Reasonable person standard</li> <li>● Professional practice standard</li> <li>● Eight principles of FPSB’s Code of Ethics</li> <li>● Personal code of ethics</li> </ul>

## Step 4. Initial and Ongoing Certification

FPSB Retirement and Tax Planning Specialist			
1) Education	2) Exam	3) Ethics	4) Certification Application
<p><i>3 Education Modes</i></p> <ul style="list-style-type: none"> <li>-Self-Paced Learning</li> <li>-Instructor-led Learning</li> <li>-Recognition of Prior Learning</li> </ul>	<p><i>Topics</i></p> <ul style="list-style-type: none"> <li>-Retirement Planning</li> <li>-Tax Planning</li> </ul> <p>2 hour 75 multiple choice questions</p>	<p>FPSB Online Ethics Course</p>	<p>Application for certification</p> <p>Agreement to abide by FPSB Code of Ethics</p>

### Ongoing Certification Requirements

To maintain the right to use the FPSB Retirement and Tax Planning Specialist credential, certification holders must maintain their professional skills, knowledge, and abilities through ongoing learning activities.

FPSB Ltd. requires FPSB Retirement and Tax Planning Specialists to renew their certification annually. To remain certified as an FPSB Retirement and Tax Planning Specialist certification holder, you must:

- ✓ Commit to adhere to FPSB Ltd.'s Code of Ethics and any applicable laws and regulations.
- ✓ Obtain at least five Continuing Professional Development (CPD) hours/points. All points must be completed before applying for renewal of certification. At least two CPD hours/points need to directly relate to FPSB Ltd.'s Code of Ethics.

### FPSB Coursework as Continuing Professional Development

FPSB Retirement and Tax Planning Specialists who pursue other Specialist courses are considered to have met their annual CPD requirement through the coursework for FPSB's other financial certifications – as proven by registration in the *FPSB Risk and Estate Planning Specialist*, *FPSB Investment Planning Specialist*, or CFP<sup>CM</sup> certification programs.

### Using your Badge and Certification Name Correctly

FPSB will post guidance on how to correctly identify yourself as an FPSB Retirement and Tax Planning Specialist. All certification holders will be required to abide by the guidance as part of the FPSB Code of Ethics.

## Appendix A. FPSB Retirement and Tax Planning Specialist Competency Profile

### Module: Retirement Planning

#### Global Retirement Planning

### Chapter 1: Retirement Principles

#### Learning Objectives

1-1 Explain the value of planning for retirement

1-2 Analyze strategies for funding retirement

#### Knowledge Items

1.1 Value of early and consistent planning for retirement

1.2 Investing for retirement

1.2.1 Accumulation strategies

### Chapter 2: Retirement Objectives

#### Learning Objectives

2-1 Identify a client's retirement objectives

2-2 Evaluate the implications of a client's attitudes toward retirement

2-3 Evaluate trade-offs needed to meet a client's retirement objectives

2-4 Calculate capital required to fund a client's retirement

#### Knowledge Items

2.1 Retirement goals and objectives

2.1.1 Goals and needs

2.1.2 Capital required for retirement

2.1.3 High net worth clients

2.2 Establishing retirement cash flow targets

2.2.1 Conflicting goals and trade-offs

2.3 Objectives in retirement

2.4 Wealth transfer

### Chapter 3: Retirement Needs Analysis and Projections

#### Learning Objectives

3-1 Identify the types of information to collect regarding a client's estimated retirement expenses

3-2 Analyze financial goals and obligations

3-3 Calculate financial projections in retirement based on a client's current financial position

3-4 Calculate amounts required to fund retirement cash flow needs

3-5 Analyze the impact of changes in assumptions on financial projections

#### Knowledge Items

3.1 Longevity risk, inflation and the impact on retirement cash flow needs

3.2 Goal classification and funding

3.2.1 Fixed and terminable

3.2.2 Fixed and permanent

3.2.3 Variable and terminable

3.2.4 Variable and permanent

3.3 Goal development



- 3.3.1 Establishing goals and timelines
- 3.3.2 Determining goal priorities
- 3.4 Selecting and administering long-term investment portfolios
  - 3.4.1 Risk, return and implications for retirement planning

## **Chapter 4: Potential Sources of Retirement Cash Flow**

### Learning Objectives

- 4-1 Identify details to collect of a client's potential retirement cash flow sources
- 4-2 Analyze retirement benefits provided by the government
- 4-3 Analyze retirement benefits provided by employers
- 4-4 Explain how annuities are used to provide retirement cash flow

### Knowledge Items

- 4.1 Pension funds
  - 4.1.1 Government-sponsored
    - 4.1.1.1 Defined benefit plans
  - 4.1.2 Employer-sponsored
    - 4.1.2.1 Defined contribution plans
- 4.2 Types of non-pension employee retirement benefits
- 4.3 Individual retirement plans
- 4.4 Annuities
  - 4.4.1 Types of annuities
  - 4.4.2 Settlement and payout options

## **Chapter 5: Retirement Cash Flow, Withdrawal Projections and Strategies**

### Learning Objectives

- 5-1 Calculate and analyze financial projections for a client's retirement plan.
- 5-2 Describe whether a client's retirement objectives are realistic
- 5-3 Describe the impact of changes in assumptions on financial projections
- 5-4 Calculate, analyze, and explain factors impacting retirement account distributions.
- 5-5 Apply retirement distribution strategies

### Knowledge Items

- 5.1 Sources of cash flow in retirement
- 5.2 Portfolio distribution strategies
- 5.3 Retirement distribution rates
- 5.4 Sequence risk
  - 5.4.1 Portfolio distribution options
- 5.5 Impact of taxes on retirement cash flow

## **India-Specific Retirement Planning**

### **Chapter 1: The Characteristic India Demography, Family and the Retirement Preparedness**

#### Learning Objectives

- 1-1 Understand India demography and potential disruptions in the future
- 1-2 Compare fiscal constraints with social security programs
- 1-3 Explain characteristics of the Indian family unit

### Topics

- 1.1. A young India with low old age dependency ratio
- 1.2. Improving Life Expectancies, other Potential Disruptions to India Demography
- 1.3. Fiscal Constraints to deal with Large-scale Social Security Programs
- 1.4. A typical Indian Family - Three generations living together is still more common
- 1.5. Other Priority Goals and Obligations delay or disrupt retirement savings
- 1.6. Late Marriages and subsequent goals blur usual Life Stages

## **Chapter 2: Pension Reforms in India**

### Learning Objectives

- 2-1 Explain Old Age Social and Income Security (OASIS) Project
- 2-2 Distinguish pension scenario and defined benefit schemes

### Topics

- 2.1 Old Age Social and Income Security (OASIS) Project
- 2.2 Pension Scenario – State Governments, Autonomous Bodies and Un-organized Sector
- 2.3 Government – Decisive shifting away from Defined Benefit Schemes
- 2.4 Mandatory contributory system

## **Chapter 3: Retirement Products in India**

### Learning Objectives

- 3-1 Understand employee provident funds and their digital transition
- 3-2 Illustrate National Pension System's (NPS) infrastructure, functioning and advantages
- 3-3 Explain Public Provident Fund (PPF) and other voluntary institutional retirement products
- 3-4 Evaluate annuities and reverse mortgage schemes

### Topics

- 3.1 Provident Funds
  - 3.1.1 Employees' Provident Fund and Employees' Pension Scheme
  - 3.1.2 Other recognized Provident Fund Types
    - 3.1.3 Defined Contribution Plans – Institutional Framework and Investment Architecture
    - 3.1.4 Tax Benefits on Subscriptions and Withdrawals
    - 3.1.5 Universal Account Number (UAN) and Employer Portability
- 3.2 National Pension Systems (NPS) - PFRDA (Pension Fund) Regulations, 2015
  - 3.2.1 Signature Scheme of Pension Fund Regulatory and Development Authority (PFRDA)
  - 3.2.2 Unique Permanent Retirement Account Number (PRAN) and Portability Features
  - 3.2.3 Types of Accounts – Tier-I and Tier-II
  - 3.2.4 Tier-I Account (Meant for retirement savings)
    - 3.2.4.1 Tax Treatment – Exempt-Exempt-Taxed (EET)
    - 3.2.4.2 Withdrawal Limits on Retirement, Taxability and other Rules
    - 3.2.4.3 An Exclusive Additional Tax Deduction under Section 80CCD(1B)
    - 3.2.4.4 Other Features – Very Low Cost, Regulated and Funds based (Accumulated Units)
    - 3.2.4.5 Annuity Provisions and Annuity Service Providers (PFRDA empanelled)
  - 3.2.5 Tier-II Account (Voluntary savings facility)
  - 3.2.6 Investment or Portfolio options in NPS - Active and Auto choices
  - 3.2.7 Point of Presence (POP) Service Providers
  - 3.2.8 Central Recordkeeping Agency (CRA)

- 3.2.9 Pension (NPS) Fund Managers – Roles and Responsibilities
- 3.2.10 NPS Trust
- 3.2.11 Trustee Bank
- 3.2.12 Retirement Advisers and Aggregators
- 3.2.13 NPS Models
  - 3.2.13.1 All Citizen Model
  - 3.2.13.2 Government Sector and Corporate Model
  - 3.2.13.3 Atal Pension Yojana (APY)
- 3.3 Public Provident Fund (PPF) under the Public Provident Fund Act, 1968
  - 3.3.1 Structure and Administration
  - 3.3.2 Subscription – Minimum/Maximum and Frequency
  - 3.3.3 Tenure, Rules of Partial Withdrawal and Loan Facility
  - 3.3.4 Taxability – Exempt- Exempt- Exempt (EEE)
  - 3.3.5 Maturity Profile of PPF and Roll-over Facility – With or Without Subscription
  - 3.3.6 Viability of PPF Scheme – A Credible Aggregator of Retirement Corpus
- 3.4 Pension Plans from Mutual Funds and Insurance Companies
  - 3.4.1 Pension plans from Mutual Funds
    - 3.4.1.1 Tax Benefit and Lock-in Period, Systematic Monthly/Annual Investments in Units
    - 3.4.1.2 Lock-in Period and Withdrawal prior to Retirement
    - 3.4.1.3 Systematic Withdrawal on Retirement akin to Annuity with Benign Taxation
  - 3.4.2 Pension plans from insurance companies
    - 3.4.2.1 Unit Linked Pension Plans
    - 3.4.2.2 Mortality and Tax Benefits
    - 3.4.2.3 Lock-in Period and Flexible Plan Tenure
- 3.5 Annuities
  - 3.5.1 Provided by Life Insurers (Regulated by Insurance Regulatory and Development Authority of India – IRDAI)
  - 3.5.2 Minimum Limits for Annuities
  - 3.5.3 Immediate and Deferred Annuities
  - 3.5.4 Types – Period Certain, Life Certain and Life with Period Certain, With or Without Return of Purchase price
- 3.6 Government sponsored regular income schemes
  - 3.6.1 Senior Citizens Savings Scheme (SCSS)
  - 3.6.2 Post Office Monthly Income Scheme (POMIS)
- 3.7 Reverse Mortgage
  - 3.7.1 Rules of Reverse Mortgage in India and Regulator National Housing Bank (NHB)
  - 3.7.2 Lump sum payment, Credit Line and Fixed Annuity
  - 3.7.3 Reverse Mortgage Loan Enabled Annuity (RMLeA)
- 3.8 Opportunities and constraints in client's retirement portfolio construction by an Investment Adviser

## Chapter 4: Employee Benefits on Superannuation

### Learning Objectives

- 4-1 Understand Payment of Gratuity Act, 1972
- 4-2 Discuss other superannuation benefits and some government schemes

### Topics

- 4.1 Payment of Gratuity Act, 1972
  - 4.1.1 Applicability of the Act

- 4.1.2 Payment on Superannuation, Disability and Resignation from Employment
- 4.1.3 Special Provisions and Calculation of Gratuity payable on Death
- 4.1.4 Determination of the Amount of Gratuity – Formula and Other Rules
- 4.1.5 Notice for Payment, Period mandated, Recovery and Penalties
- 4.1.6 Tax-exempt Amount of Gratuity for Employees covered under the Act, and otherwise
- 4.2 Leave Encashment – Tax-exempt amounts
- 4.3 Ex-Gratia Lump-sum Compensation
- 4.4 Pension Scheme for Government Employees – Rules for Commuting pension
- 4.5 Family Pension
- 4.6 Employees' Deposit Linked Insurance Scheme (EDLIS)
- 4.7 Pensions in Public Sector Bank and other Public Sector Enterprises

## Module: Tax Planning and Optimization

### Global Principles of Taxation

#### **Chapter 1: Taxes payable by an individual**

##### Learning Objectives

- 1-1 Identify tax-related terms
- 1-2 Describe types of taxes payable by an individual
- 1-3 Illustrate taxation of capital asset
- 1-4 Describe the difference between tax avoidance and tax evasion

##### Knowledge Items

- 1.1 Taxes payable by an individual
- 1.2 Effect of selling property
- 1.3 reduction/management techniques
- 1.4 Tax avoidance/evasion
- 1.5 Income shifting techniques (transfer and timing)
- 1.6 Tax-exempt income
- 1.7 Tax-sheltered income
- 1.8 Tax-preferred retirement, education and spending plans
- 1.9 Investment strategies to manage tax liability

#### **Chapter 2: Cross-border and Source**

##### Learning Objectives

- 2-1 Describe cross-border taxation
- 2-2 Identify income source rules
- 2-3 Explain tax treaties and their implications
- 2-4 Describe tax arbitrage
- 2-5 Explain cross-border treatment of retirement plan distributions

##### Knowledge Items

- 2.1 Cross-border taxation
- 2.2 Tax treaties
- 2.3 Tax arbitrage

#### **Chapter 3: Tax Planning Strategies**

### Learning Objectives

- 3-1 Describe international accounting principles
- 3-2 Explain organizational ownership structures and tax implications
- 3-3 Construct tax forms appropriate for filing

### Knowledge Items

- 3.1 Eliminating or reducing tax
  - 3.1.1 Shifting tax to others
  - 3.1.2 Deferring income taxes
- 3.2 International tax systems overview
  - 3.2.1 Tax arbitrage
  - 3.2.2 Tax strategies
  - 3.2.3 Income tax
  - 3.2.4 Tax terms
  - 3.2.5 Property-related taxes
    - 3.2.5.1 Personal property
    - 3.2.5.2 Investment property
  - 3.2.6 Capital assets: Gains and losses
- 3.3 Suitability
- 3.4 Strategic coordination
- 3.5 Tax-free versus taxable yields
- 3.6 Tax planning action steps

## **Chapter 4: Accounting Standards and Research**

### Learning Objectives

- 4-1 Describe international accounting principles
- 4-2 Explain organizational ownership structures and tax implications

### India-Specific Principles of Taxation

## **Chapter 1: India Tax Structure: Direct and Indirect Taxes**

### Learning Objectives

- 1-1 Understand the tax structure in India
- 1-1 Describe direct taxes as they apply to individuals and other entities

### Topics

- 1.1 Central Board of Direct Taxes (CBDT), Income-tax Act, 1961, Income-tax Rules, 1962
- 1.2 Central Board of Indirect Taxes and Customs (CBIC), Central Goods and Services Tax (GST) Act, 2017

## **Chapter 2: Income-tax Act, 1961: Concepts and Terminology**

### Learning Objectives

- 2-1 Identify various terms as contained in the Income-tax Act
- 2-2 Explain broad principles that define 'Income' and other receipts

### Topics

- 2.1 Assessment Year' (AY), 'Previous Year', 'Assessee', 'Person'

- 2.2 Broad Principles that categorize 'Income', Extended meaning of income
- 2.3 Capital and Revenue Receipts, and their Taxability

### **Chapter 3: Rules of Residency**

#### Learning Objectives

- 3-1 Illustrate norms that establish the tax status of residents
- 3-2 Determine factors which differentiate Indian income from foreign income

#### Topics

- 3.1 Residential status of an individual and other taxable entities
- 3.2 Taxability based on Residential status
- 3.3 Individuals – Resident in India, Ordinarily Resident and Not-ordinarily resident
- 3.4 Individuals – Not-resident in India (NRI)
- 3.5 Residential Status of a Foreign Company
- 3.6 Residential Status of Hindu Undivided Family (HUF)
- 3.7 Residential Status of 'any other person'
- 3.8 Incidence of Tax or Tax Liability
  - 3.8.1 Indian Income and Foreign Income
  - 3.8.2 Income 'received' vs. 'accrue' or 'arise' in India
  - 3.8.3 Income deemed to accrue or arise in India

### **Chapter 4: What Constitutes Income From 'Salary'?**

#### Learning Objectives

- 4-1 Describe salary received in various forms and under various heads
- 4-2 Distinguish all receipts which are recognized and taxed within the meaning salaries

#### Topics 4.1 Salary received, salary due, arrears of salary, advance salary

- 4.2 Various heads of salary and their taxability
  - 4.2.1 Various allowances including Dearness Allowance
  - 4.2.2 Various perquisites
- 4.3 Profits in lieu of salary
- 4.4 Wages
- 4.5 Fees and Commission
- 4.6 Gratuity, Exemption limits – Government and other employees – on retirement or resignation
- 4.7 Annuity and Pension – Taxability of commuted pension amount – received with or without Gratuity payment
- 4.8 Leave encashment on retirement or resignation
- 4.9 Balance in recognized Provident Fund
- 4.10 Employer contribution under notified pension scheme, National Pension System (NPS) and recognized Provident Funds
- 4.11 Compensation received on Voluntary Retirement/Separation Schemes – Exemption limits for IT commissioner approved VRS/VSS schemes

## **Chapter 5: Various Allowances and Their Exemption Limits**

### Learning Objectives

- 5-1 Distinguish allowances which are exempt subject to rules and limits based on actual expenditure
- 5-2 Identify the rules and limits for various other specific allowances

### Topics

- 1.1. Based on expenditure incurred
  - 1.1.1. House Rent Allowance (HRA)
  - 1.1.2. City Compensatory Allowance
  - 1.1.3. Entertainment Allowance
  - 1.1.4. Special Allowance – Travelling, Conveyance, Daily, Uniform, etc.
- 1.2. Irrespective of expenditure incurred
  - 1.2.1. Hill area allowance
  - 1.2.2. Tribal area allowance
  - 1.2.3. Transport allowance

## **Chapter 6: Taxable Perquisites**

### Learning Objectives

- 6-1 Describe amenities and facilities provided by employer which attract tax
- 6-2 Illustrate Sweat equity and Employee Stock Options as perquisites and their tax incidence

### Topics

- 2.1. Furnished /Unfurnished accommodation with no rent/concessional rent charged
- 2.2. Services of house help, attendant
- 2.3. Supply of amenities (electricity, water, gas, etc.)
- 2.4. Interest free loan or concessional loan
- 2.5. Use of car and other movable assets
- 2.6. Medical facility and club facility
- 2.7. Employer's contribution towards superannuation fund (above the exempt maximum limit)
- 2.8. Value of specified security, sweat equity, Employee Stock Option Plan (ESOP) allotted/transferred to employee
- 2.9. Tax of an employee paid by employer

## **Chapter 7: Income from House Property**

### Learning Objectives

- 7-1 Evaluate the income ascribed to a house property treated as investment
- 7-2 Calculate loss from a self-occupied house property built on borrowed capital

### Topics

- 3.1. The Basis of Charge
- 3.2. The Basis of computing income from a let out house property
- 3.3. Gross Annual Value (GAV) on the basis of Municipal Valuation (MV), Fair Rent (FR) and Standard Rent (SR)
- 3.4. Net Annual Value (NAV)
- 3.5. Standard Deduction under section 24(a) and Interest on borrowed capital u/s 24(b)
- 3.6. Self-occupied house purchased/built on borrowed capital



## **Chapter 8: Income from Capital Gains**

### Learning Objectives

- 8-1 Categorize various capital assets on their respective norms of long-term holding
- 8-2 Identify capital assets where the benefit of indexation is not allowed
- 8-3 Determine cost of acquisition and holding period on transfer of capital assets acquired at no consideration
- 8-4 Assess capital gain on transfer/redemption of equity oriented and debt securities

### Topics

- 4.1. 'Capital Asset'
- 4.2. 'Short-term' and 'Long-term' capital asset
- 4.3. Minimum period for different capital assets to become long-term capital assets
- 4.4. Indexation benefit basis cost inflation index (CII) in respect of certain capital assets
- 4.5. Capital assets transferred under a Gift, a Will, by succession/inheritance, etc. – Basis of cost of acquisition including improvement cost
- 4.6. Fair Market Value for capital assets acquired before April 1, 2001
- 4.7. Capital gain on transfer of land and building
- 4.8. Self-generated capital assets (goodwill, business rights/permits/licenses, trade mark, brand, etc.
- 4.9. Shares converted from debentures/bonds – basis of cost and period of holding
- 4.10. Transfer of securities in Dematerialized form – FIFO basis of cost and period of holding
- 4.11. Transfer of ESOP – cost of acquisition/consideration
- 4.12. Capital gain (long-term) on transfer/redemption of equity shares of domestic companies and units of equity-oriented MF schemes w.e.f. April 1, 2018 (grandfathering provisions)
- 4.13. Capital gain on buyback of shares
- 4.14. Capital gain on transfer/redemption of debt securities and units of income/liquid MF schemes
- 4.15. Tax on long-term/short-term capital gains where Securities Transaction Tax (STT) is paid
- 4.16. Tax on long-term/short-term capital gains where STT is not paid

## **Chapter 9: Income from Other Sources**

### Learning Objectives

- 9-1 Categorize various receipts which have treatment of tax at marginal rates
- 9-2 Calculate the tax incidence the recipient has on gifts of cash/kind, movable and immovable assets

### Topics

- 9.1. Interest on Deposits (with banks, post office, companies, cooperative societies, etc.)
- 9.2. Interest on loans
- 9.3. Interest on securities, e.g. bonds, debentures, government securities, etc. (other than dividend from Indian companies)
- 9.4. Dividends received by residents and ordinarily residents from non-domestic companies
- 9.5. Gifts
  - 9.5.1. Gift of cash and kind exempt within prescribed limit
  - 9.5.2. Gift of movable assets above the prescribed limit
  - 9.5.3. Gift of immovable assets at inadequate consideration
- 9.6. Winning from lotteries, horse races, card games, crossword puzzles, TV shows/contests, etc.

- 9.7. Income from racing establishment
- 9.8. Rental income on letting out plant, machinery, furniture and attached premises to such plant
- 9.9. Advance money received and forfeited in the course of negotiations on transfer of a capital asset
- 9.10. Income from undisclosed sources

## **Chapter 10: Income Exempt from Tax**

### Learning Objectives

- 10-1 Distinguish various income receipts exempt with their respective limits under rules
- 10-2 Analyze the exemption of Agricultural income and its evaluation on aggregate and net basis
- 10-3 Illustrate exemption admissible under house rent allowance in various conditions

### Topics

- 10.
- 10.1. Agricultural Income (meaning and tax treatment)
- 10.2. Family income received by a member of HUF
- 10.3. Leave Travel Concession (LTC)
- 10.4. Gratuity received by an employee on retirement or by dependents on death of employee (subject to rules)
- 10.5. Commuted value of pension (subject to rules)
- 10.6. Leave Encashment including on retirement (subject to rules)
- 10.7. Voluntary retirement/separation compensation (subject to rules and limits)
- 10.8. Life insurance policy proceeds<sup>1</sup>
- 10.9. Amount received on maturity from Public Provident Fund, statutory Provident Fund, Sukanya Samridhi Scheme
- 10.10. House Rent Allowance (subject to rules and limits)
- 10.11. Income of minor child (subject to limits)
- 10.12. Dividends from domestic companies and Units of Mutual Fund schemes (on or after April 1, 2003, subject to limits w.e.f. April 1, 2018)
- 10.13. Any amount received in a transaction of reverse mortgage (lump-sum or installments)

## **Chapter 11: Exemptions Available on Transfer of Long-term Capital Assets**

### Learning Objectives

- 11-1 Construct a scenario of availing exemption of long-term capital gains arising from transfer of house property
- 11-2 Assess various situations to minimize long-term capital gains on transfer of other capital assets
- 11-3 Describe the stipulations/conditions to be maintained over various timelines if exemption of long-term capital gains availed

### Topics

- 11.
- 11.1. Capital gains arising from transfer of residential property (long-term)
  - 11.1.1. In acquiring another housing property (in terms of Section 54)

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<sup>1</sup> except where the sum assured is less than ten times annual premium, in which case 5% TDS shall be deducted

- 11.1.2. In acquiring Equity shares in an 'eligible company'<sup>2</sup> (in terms of Section 54GB) until March 31, 2021
- 11.1.3. Capital gains deposit account scheme is utilized to park funds to be used in specified time limits
- 11.2. Capital gains arising from transfer of any long-term capital asset
  - 11.2.1. In acquiring certain specified bonds<sup>3</sup> (in terms of Section 54EC)
  - 11.2.2. In acquiring certain long-term specified assets<sup>4</sup> (in terms of Section 54EE)
  - 11.2.3. In acquiring the first residential property (in terms of Section 54F)

## **Chapter 12: Permissible Deductions from Gross Total Income**

### Learning Objectives

- 12-1 Categorize deductions from gross total income and optimize them within overall limits
- 12-2 Evaluate deductions available with short-term and long-term commitments to reduce tax incidence within income constraints and financial goals

### Topics

- 12.
- 12.1. Standard Deduction
- 12.2. Professional Tax
- 12.3. Employer contributions (forming part of Employee cost to company) to statutory and recognized Provident Funds, National Pension System (subject to approved limits)
- 12.4. Approved investments, PF/NPS employee contributions, insurance premium, repayment of borrowed capital in housing loans, etc. (subject to limits of Section 80CCE)
- 12.5. Additional contribution under NPS (subject to limits of Section 80CCD[1B])
- 12.6. Interest on borrowed capital in housing loans (subject to limits of Section 24b)
- 12.7. Medical Insurance premium (Section 80D)
- 12.8. Medical treatment (Section 80DD/Section 80DDB)
- 12.9. Approved Donations (Section 80G)
- 12.10. Rent paid by self-employed individuals (subject to rules and limit under Section 80GG)
- 12.11. Interest on deposits in savings bank account (subject to limit under Section 80TTA)
- 12.12. Rebate under Section 87A

## **Chapter 13: Profits and Gains of Business or Profession**

### Learning Objectives

- 13-1 Describe businesses and their receipts with related principles for recognition
- 13-2 Understand allowances and specific deductions available to businesses

### Topics

- 13.
- 13.1. Meaning of business, profession or vocation
- 13.2. The basis of charge
  - 13.2.1. Business income, profits, compensation received, etc.
  - 13.2.2. Principles for arriving at business income
  - 13.2.3. Exclusions from business income

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<sup>2</sup> A company, being an SME start-up incorporated in the previous year, in the technology or IPR driven businesses, and where transferor holds more than 25% stake; amount of capital gains are used in acquiring new assets

<sup>3</sup> Bonds of National Highways Authority of India, Rural Electricity Corporation or as specified by the Central Government from time to time

<sup>4</sup> As notified by the Central Government to finance start-ups; limit of INR 50 lakh in any financial year

### 13.2.4. MAT and AMT - Objectives, Provisions and Applicability

#### 13.3. Methods of Accounting

#### 13.4. Business allowances and deduction including specific deductions

13.4.1. Depreciation allowance (methods, rates for different assets, set off and carry forward provisions)

13.4.2. Expenditure in respect of specified businesses

13.4.3. Amortization of preliminary expenses

13.4.4. Interest on borrowed capital

13.4.5. Contribution to approved gratuity fund, staff welfare fund, provident fund, NPS

13.4.6. Bonus and Commission to employees

13.4.7. Bad Debts

13.4.8. Advertisement expenses

13.4.9. Computation of professional income on estimated basis (Section 44ADA)

### 13.5. Multi-lateral Instruments (MLI) - Impact on Indian Tax Treaties

### 13.6. Double Tax Avoidance Agreement (DTAA)

### 13.7. General Anti Avoidance Rule (GAAR)

## Chapter 14: Tax Treatment of Various Investments and Relative Advantage

### Learning Objectives

14-1 Compare advantages of tax efficiency in certain investments within overall and goal specific risk constraints

14-2 Distinguish tax treatment meted out to unlisted securities, off-market transaction in listed securities and buyback of securities

14-3 Illustrate the impact on return from various investments due to dividend distribution tax

### Topics

14.

14.1. Short-term and Long-term capital gains tax on listed Equity shares, equity oriented schemes of Mutual Funds, Index Funds, Equity Linked saving Schemes, Exchange Traded Funds (equity)

14.2. Tax treatment of listed and unlisted shares - Bonus/Rights, Split/Consolidation, Mergers and Acquisitions

14.3. Tax treatment of listed shares transacted in off-market

14.4. Debt products – Various Bonds – Corporate, Zero-coupon, Tax-free, Convertible, Debentures, G-Secs, Mutual Funds debt schemes, FMP

14.5. Masala Bonds, FCCB, Security Receipts, PTCs, GDRs and Warrants

14.6. Tax Applicability on Stock Lending/Borrowing, Segregated portfolios of MFs, Winding up of MF schemes

14.7. Sovereign Gold Bonds (SGB), tax advantage on maturity and secondary market transactions over bullion investment

14.8. Taxability of Investment Instruments - EEE, EET and ETE

14.9. Tax Aspects of AIFs, REITs and InvITs, Derivatives on Currency, Interest Rate and Commodities

14.10. Tax Liability on Foreign Investments by NRIs and PIOs

## Chapter 15: Various Other Provisions Available under Tax Laws

### Learning Objectives

15-1 Explain various provisions under tax laws as well as certain requirements for effective discharge of tax statuses

15-2 Understand and interpret various set-off and carry forward of losses available under various heads as well as loss avoidance not available in dividend and bonus stripping

### Topics

15.

15.1. Clubbing of Income

15.2. Set off and carry forward of losses

15.2.1. Business loss and depreciation

15.2.2. Speculation loss

15.2.3. Capital loss (rules for long-term and short-term set off)

15.2.4. Loss from house property

15.2.5. Loss on sale of shares/securities where dividend received (Section 94[7])

15.2.6. Loss on sale of units of Mutual Fund where bonus units received (Section 94[8])

15.3. Deduction and Collection of Tax on Source

15.3.1. Tax Deducted at Source (TDS)

15.3.1.1. Salaries, Fees on Professional and Technical Services

15.3.1.2. Rents and Deposits

15.3.1.3. Payment to Contractors/sub-contractors

15.3.1.4. Winning from Lotteries, Races, Crossword Puzzles, TV shows/contests, etc.

15.3.1.5. Withdrawal from provident funds within minimum prescribed periods

15.3.2. Tax Collected at Source (TCS)

15.3.3. Penalty in case of failure to deduct TDS/TCS

15.3.4. Rounding off of taxable income

15.3.5. Cash payment over a specified limit

16.

## **Chapter 16: Computation of Taxable Income and Tax and Filing of Returns**

### Learning Objectives

16-1 Explain the process to arrive at taxable income and determine tax liability

16-2 Arrange ways to discharge tax liability estimated by way of self-assessment tax and periodical advance taxes

16-3 Understand nuances of timely filing tax return and the associated advantages and as well as pitfalls on default of filing return

16-4 Explain the circumstance where revised return needs to be filed

### Topics

16.1. Income from all sources

16.2. Set off of losses – Current year and earlier years – Gross Total Income

16.3. Admissible deductions – Net Income or Taxable Income

16.4. Tax Liability – Income taxable at special rates and normal rates

16.5. Tax as per slabs and applicable rates, surcharge and cesses

16.6. Self-assessment tax

16.7. Advance Tax – Due dates of filing and percentage limits of advance tax payable

16.8. Who should file Returns? Exemption Limits for Resident, Senior Citizen and Super Senior Citizen

16.9. Benefit of filing Return – Set off of carry forward losses, adjustment/refund of TDS amounts

16.10. Appropriate Income Tax Return (ITR) Form

16.11. Mode of submission (e-filing) and last due date

16.12. Return filed beyond time – Penalty and other consequences

16.13. Interest payable on default in furnishing return and default in payment of advance tax

16.14. Revised Return

16.15. Tax Refunds

## Appendix B. FPSB Certification Code of Ethics (for all FPSB certifications)

### FPSB LTD. CODE OF ETHICS

Observing the highest ethical and professional standards allows professionals to serve the interests of clients and promote the profession for the benefit of society. As part of their commitment, professionals should provide appropriate disclosures and comply with ethical standards when delivering advice to clients. FPSB has incorporated ethical behavior and judgment, and compliance with ethical standards, into its global standards for professionals. To ensure these obligations are understood, FPSB incorporates ethical standards into its certification requirements.

FPSB's Code of Ethics Principles are statements expressing in general terms the ethical standards that professionals should adhere to in their professional activities. The comments following each Principle further explain the intent of the Principle. The Principles are aspirational and are intended to provide guidance for professionals on appropriate and acceptable professional behavior.

FPSB's Code of Ethics Principles reflect professionals' recognition of their responsibilities to clients, colleagues and employers. The Principles guide the performance and activities of anyone involved in the practice of advice; the concept and intent of these Principles are adapted and enforced on professionals by FPSB through rules of professional conduct.

#### Principle 1 – Client First

##### **Place the client's interests first.**

Placing the client's interests first is a hallmark of professionalism, requiring the specialist to act honestly and not place personal gain or advantage before the client's interests.

#### Principle 2 – Integrity

##### **Provide professional services with integrity.**

Integrity requires honesty and candor in all professional matters. Professionals are placed in positions of trust by clients, and the ultimate source of that trust is the specialist's personal integrity. Allowance can be made for legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires the specialist to observe both the letter and the spirit of the Code of Ethics.

#### Principle 3 – Objectivity

##### **Provide professional services objectively.**

Objectivity requires intellectual honesty and impartiality. Regardless of the services delivered or the capacity in which a specialist functions, objectivity requires that professionals ensure the integrity of their work, manage conflicts of interest and exercise sound professional judgment.

#### Principle 4 – Fairness

##### **Be fair and reasonable in all professional relationships. Disclose and manage conflicts of interest.**

Fairness requires providing clients what they are due, owed or should expect from a professional relationship, and includes honesty and disclosure of material conflicts of interest. Fairness involves managing one's own feelings, prejudices and desires to achieve a proper balance of interests. Fairness is treating others in the same manner that you would want to be treated.



### Principle 5 – Professionalism

#### **Act in a manner that demonstrates exemplary professional conduct.**

Professionalism requires behaving with dignity and showing respect and courtesy to clients, fellow professionals, and others in business-related activities, and complying with appropriate rules, regulations and professional requirements. Professionalism requires the specialist, individually and in cooperation with peers, to enhance and maintain the profession's public image and its ability to serve the public interest.

### Principle 6 – Competence

#### **Maintain the abilities, skills and knowledge necessary to provide professional services competently.**

Competence requires obtaining and maintaining an adequate level of abilities, skills and knowledge in the provision of professional services. Competence also includes the wisdom to recognize one's own limitations and when consultation with other professionals is appropriate or referral to other professionals necessary. Competence requires the specialist to make a continuing commitment to learning and professional improvement.

### Principle 7 – Confidentiality

#### **Protect the confidentiality of all client information.**

Confidentiality requires that client information be protected and maintained in such a manner that allows access only to those who are authorized. A relationship of trust and confidence with the client can only be built on the understanding that the client's information will not be disclosed inappropriately.

### Principle 8 – Diligence

#### **Provide professional services diligently.**

Diligence requires fulfilling professional commitments in a timely and thorough manner and taking due care in delivering professional services.

## Appendix C. Pricing

**Enrollment** - Enrollment fees are annual and are valid across all courses available. For example, a candidate can enroll on 1 Jan and take all courses within 365 days without additional charge. A candidate who passes the FPSB® Retirement and Tax Planning Specialist exam and takes the FPSB® Retirement and Tax Planning Specialist certification can continue as a certificant and pursue other Specialist certification courses without a need to renew enrollment. The Specialist certification shall be renewed on annual basis.

**Renewal** - Renewal fees must be paid upon expiration of enrollment, and are valid for an additional 365 days.

Self-Paced / Instructor-Led Registration Fee	US\$165	One-time enrolment fee
Recognized Prior Learning Registration Fee	US\$260	*Textbook fee is included
Candidate Renewal Fee	US\$110	Annual
Specialist Education Materials - Textbooks - Interactive Courses - Practice questions	US\$60	Per course, Required for all candidates
Integrated Financial Planning Textbook	US\$120	Required for all candidates
Specialist Certification Exams	US\$61	Per exam per attempt
CFP® Exam	US\$122	Per exam per attempt
Specialist and CFP Certification /Renewal	US\$100	Annual

## Appendix D. Frequently Asked Questions

### Step 1: Education

**1. Am I required to purchase the textbooks?**

Yes, all individuals registered with FPSB are required to purchase the textbooks. Your purchase includes access to the interactive courses and questions.

**2. May I print or purchase a printed copy of the textbooks?**

FPSB does not allow for printing of FPSB textbooks for copyright purposes. Each time you'd like to access the textbooks, please log into your FPSB online platform, MyFPSB*learning*.

**3. How long may I remain a candidate?**

FPSB recommends a candidate apply for FPSB® Retirement and Tax Planning Specialist Certification as soon as the exam is passed. This converts a candidate to a certificant and obviates the need to renew enrollment as a candidate while other Specialist courses including the Integrated Financial Planning are pursued. After a lapse of three years without passing an exam, however, a candidate would need to re-register with FPSB (and pay the registration fee again). FPSB strongly encourages you to complete the certification in the recommended time frame.

**4. I heard about challenge status and self-study. Where can I find information about those?**

For anyone registering after 31 May 2020, Challenge Status and Self Study are no longer options. You may find it helpful to review 'Recognition of Prior Learning' and 'Self-paced learning' respectively as those concepts are similar.

### Step 2: Exam

**5. How shall I register for the examination?**

FPSB has an Exam Calendar published on website. The initial seven calendar days in a month are for exam registration. One can pay exam fee to block the reserved date for the FPSB® Retirement and Tax Planning Specialist exam scheduled on any one day between the 19<sup>th</sup> calendar day and the 25<sup>th</sup> calendar day in the same month. Presently, the tests are conducted using online-proctored system, whereby you can take the test at your own device (webcam-enabled Desktop or laptop) from anywhere. Soon exams shall also be available at the physical test centers across India.

**6. Is there a possibility to skip the FPSB Retirement and Tax Planning Specialist exam on the path to CFP certification?**

No, all individuals who wish to pursue CFP certification must also pass the three exams first, i.e. exams for FPSB® Investment Planning Specialist, FPSB® Retirement and Tax Planning Specialist, and FPSB® Risk and Estate Planning Specialist.

**7. How was the exam created?**

CFP professionals in India and internationally created exam questions, and the FPSB exam panel reviewed the weighting and composition of questions. Each question has been reviewed by multiple CFP professionals in India as a requisite step in exam creation.

**8. When can I take the exam?**

FPSB conducts exam on four days, one each for the three Specialist exams and one for the CFP® exam. These are conducted from the 19<sup>th</sup> calendar day to the 25<sup>th</sup> calendar day in the month except on Saturdays, Sundays and specified Holidays. At any given time, FPSB publishes on the website an Exam Calendar for the three subsequent months. Candidates may sign up to take the exam only after they have completed the education requirement for their chosen education mode:

- Self-paced learning: Passing the two Module tests in *MyFPSBlearning*
- Instructor-led learning: FPSB-Authorized Education Provider has determined pass/fail for candidates and notified FPSB
- Recognition of prior learning: FPSB grants recognition upon approval of submitted evidence

**9. What resources may be available to study for the exam?**

FPSB encourages candidates to study the learning objectives and knowledge items in the FPSB Retirement and Tax Planning Specialist Competency Profile; the exam blueprint; and the questions in *MyFPSBlearning*.

**10. When will I know my score on the exam?**

FPSB notifies the pass/fail metric toward results of exams in each candidate's LMS account by the close of the calendar month. For failing candidates, the course is 'assigned' to retake the exam, while passing candidate find the course as 'attended'.

**11. Is there a limit to the number of times I may take the FPSB exam?**

There is no limit to the number of times you may take the exam. You may only take the FPSB® Retirement and Tax Planning Specialist exam once in the designated exam window each month.

**12. Why do I need to answer the 10 questions on the exam that are not scored?**

FPSB works to constantly improve its exams. In order to accomplish this, FPSB needs to pretest some questions before they become a part of the exam. This requires FPSB to gather responses from candidates. These 10 questions are randomly distributed throughout your exam, so you will not know which questions are being pretested and which count toward your score. Therefore, you should assume that all questions count and answer every question with the same concern for your score.

**Step 3: Ethics**

**13. What are steps to complete the Ethics course?**

This is an online ethics course in the FPSB online portal. You must ideally pass the Ethics course before beginning studies so that it does not hamper your exam scheduling when due.

**Step 4: Certification**

**14. How long does the process take?**

This depends on the individual and different factors such as industry experience, time to prepare, familiarity and propensity to take exams (in general), and the extent of studying before the exam. Typically, preparations require 8-12 weeks of study for the FPSB Retirement and Tax Planning Specialist exam.

**15. How long is certification valid for?**

The certification is valid for one year. An individual may renew certification after

completing the 5 Continuing Professional Development (CPD) points and completing the other renewal requirements in the FPSB online platform. However, the CPD requirement stands fulfilled automatically if the candidate is pursuing other Specialist courses or the FPSB® Integrated Financial Planning course.

**16. How does this certification validity combine with other FPSB certifications?**

Your initial certification is valid for 365 days. Additional course certifications can be earned in that period. All specialist certifications will be benchmarked and renewed on the date of your initial certification. For example, Sajju passes the FPSB Retirement and Tax Planning Specialist exam and certifies as such on December 31, 2020, he will renew a year from then. During that year, he may choose to certify as FPSB Retirement and Tax Planning Specialist on June 30 and FPSB Risk and Estate Planning Specialist on September 30. All these certifications will renew on the same date, December 31, 2021 as they are all specialist certifications. CFP certification will reset the renewal date to begin on the date of CFP certification, at which point all specialist certifications earned remain valid and will be marked to this new date.

**17. If I pass the exam, may I use the marks?**

No, you must apply for and obtain the relevant certification for your eligibility to use the marks.

**Other Questions**

**18. I work in a firm with a lot of colleagues who want to pursue FPSB's certifications.**

**We're speaking with the corporate training department. How does this work for us?**

FPSB encourages your employer to contact us. You may individually take this as a self-paced training, and may want to have a corporate trainer in your HR or training department provide coaching. Alternatively, your employer may want an FPSB-Authorized Education Provider to teach the course under the instructor-led mode.

**19. I registered before 1 June 2020, and would like to become an FPSB Retirement and Tax Planning Specialist. How may I do that?**

FPSB is providing a transition mechanism from April 2021 for those who registered prior to 1 June 2020 so that they migrate to the New Program and appear in the remaining Specialist courses and the FPSB® Integrated Financial Planning course to pursue CFP<sup>CM</sup> certification. Their individual exams cleared in the old curriculum are recognized toward eligibility to apply for the relevant Specialist certification/s (please visit the Transition Notice displayed on website).

**20. I'd like to learn about the other certifications. How do I do that?**

You may visit <https://india.fpsb.org/students/> to learn more about the other certifications.

**21. What minimum education qualification is applicable for obtaining FPSB® Retirement and Tax Planning Specialist certification and CFP<sup>CM</sup> certification?**

While a candidate who passes FPSB® Retirement and Tax Planning Specialist exam is eligible for this Specialist certification basis HSC/12th Pass qualification (subject to meeting other eligibility criteria for Specialist certification), a graduate

degree from a University Grants Commission (UGC) recognized University in India, or an equivalent degree program from a recognized University outside India, is required at the time of applying for CFP<sup>CM</sup> certification.

**22. I have a different query. Who should I contact?**

You may write to [fpsb.india@fpsb.org](mailto:fpsb.india@fpsb.org).