

Highlights of Union Budget 2017 – 2018

ACIT vs. Mahesh K. Shah (ITAT Mumbai)

- ❖ GST – No changes in service tax & excise duty as GST draft will be launching soon
- ❖ Fiscal Deficit – Seen at 3.2% (17-18) & 3% (18-19)
- ❖ Current Account Deficit – 0.3% (16-17) 1st Half
- ❖ FDI Investments – 1.45 Lakh Crores (16-17) 1st Half
- ❖ Direct Tax – Tax to GDP Ratio is very low
- ❖ Income upto 2.5 Lakhs – Nil Tax
- ❖ Income above 2.51 Lakhs to 5 Lakhs – Reduces to 5% Tax from 10%
- ❖ Income above 50 Lakhs to 1 Crore – 10% surcharge
- ❖ Farmer – Double their income in 5 years
- ❖ Agriculture – 10 Lac Crores credit
- ❖ MNREGA – Allocation 48,000 Crores
- ❖ PM Gram Sadak Yojna – Allocation 19,000 Crores
- ❖ Sr. Citizen – 8% guaranteed pension for 10yrs by LIC of India scheme
- ❖ Rail Budget – 1.31 Lakh Crores, New Railway Line of 3500 kms, No service charge on IRCTC Ticket booking
- ❖ Highway – 67,000 Crores for National Highways
- ❖ Disinvestment – Continue through ETF's and timely disinvestments of PSU's,
- ❖ Target 72500 Crores
- ❖ Banking – 10,000 Crores to PSU banks for Recapitalisation, Double lending targets to Bank 2.44 Lac Crores, 2.44 Lac Crores under mudra scheme

- ❖ Total Expenditure – Estimated at 21.47 Lac Crores
- ❖ Defence Expenditure – 2.74 Lakh Crores excluding Pension
- ❖ Long Term Capital Gain – For immovable property reduced to 2yrs from 3yrs
- ❖ Income Tax – Companies turnover less than 50 Crores will pay 5% less tax, Effective rate 25%
- ❖ Cash Transaction – No transaction over 3 lacs will be permitted in cash
- ❖ Infra – Insurance company has to invest 25% in Infra bonds