



# Budget 2013



# Direct Tax Highlights:

- ▶ Tax Credit of Rs.2,000/- for income up to Rs.5,00,000/-.
- ▶ No change in Direct Tax Slabs.
- ▶ Surcharge of 10% imposed on Individuals, HUF's on income above Rs. 1Crore.
- ▶ Surcharge of 5% increased to 10% on Domestic Companies on income above Rs.10 Crore.
- ▶ Surcharge of 2% increased to 5% on Foreign Companies.
- ▶ Surcharge of 5% increased to 10% on Dividend Distribution Tax.
- ▶ Tax Deducted at Source @ 1% imposed on land deals above Rs.50 Lakhs other than agricultural land.



# Direct Tax Highlights:

- ▶ Tax Deducted at Source increased from 10% to 25% on Royalty paid to Non Resident for Professional and Technical Fees .
- ▶ Withhold Tax @ 20% introduced on unlisted companies who are entering into transaction of Buyback of Shares.
- ▶ Investment allowance @ 15% introduced on assessees investing above Rs. 100 Crore in Plant and Machinery.
- ▶ No change in the rate of Minimum Alternative Tax.
- ▶ Sec 80IA benefit extended by 1 year.
- ▶ Education Cess to remain at 3%



# Direct Tax Highlights:

- ▶ Commodities Transaction tax introduced on Non agricultural futures contract at 0.1%.
- ▶ STT reduced from 0.17% to 0.1%.
- ▶ Additional benefit of Rs. 1,00,000/- as interest deduction for 1<sup>st</sup> time home loan applicants for a limit of Rs.25 Lakhs.
- ▶ GAAR to be introduced from 1<sup>st</sup> April 2016.
- ▶ DTC is Work in progress.
- ▶ To continue 15 % tax concession on dividend received by India companies from foreign units for one more year.



# Indirect Tax Highlights:

- ▶ Service Tax and Basic Excise Duty remain at 12%.
- ▶ 2 more Services added to the Negative list of Services:
  - a) Vocational Courses
  - b) Testing activities of agriculture and agriculture produce.
- ▶ Service Tax imposed on all Air Conditioned Restaurants.
- ▶ One-time Amnesty Scheme for service tax due from 2007.
- ▶ Specific Excise duty on Cigarettes increased 18%.
- ▶ Excise duty on Non Taxi SUV's increased from 27% to 30%.
- ▶ Custom Duty on luxury cars increased from 75% to 100% and on luxury bikes from 60% to 75%.



# Indirect Tax Highlights:

- ▶ Custom Duty on Raw Silk increased from 5% to 15%.
- ▶ Custom Duty on Set Top Boxes increased from 5% to 10%.
- ▶ Import duty on rice bran oilcake withdrawn.
- ▶ 10 per cent customs duty to be levied on unprocessed illuminate.
- ▶ Duty free limit on Gold raised to Rs 50,000 in case of male and Rs 100,000 in case of female.
- ▶ Duty on mobiles above Rs 2,000 raised from one to six per cent, based on their maximum retail prices.





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