Karnataka Budget Highlights 2013-14

Value Added Tax

- **Provision for the dealers to upload the details of their purchases and sales along with the returns.**
- **Increase in VAT rates from 5% to 5.5% and 14% to 14.5% to continue beyond 31st July 2013.**
- Tax exemption to footwear costing upto Rs. 300 per pair.
- Current 1% entry tax on sugar replaced by 1% Value Added Tax.

Sales Tax

- **Karasamadhana Scheme for payment of disputed and pending Sales Tax dues** *(details to be notified)*
- Sales tax on diesel reduced from 16.75% to 15.65%. Reduction in price of Diesel by 51 paise per litre at Bangalore.
- Reduction of Rs. 20/- in purchase tax and road cess of Rs. 5/- per ton payable on sugarcane.

Entry tax

- Withdrawal of 1% entry tax on sugar.

Professions Tax

- Annual income limit for Professional Tax exemption for pygmy agents and other agents increased to Rs.1.2 lacs.

Entertainments Tax

- Increase in amounts of service charges collected by theatre owners - from Rs.1.50 to Rs.3 per head in AC and air-cooled theatres and Rs.1 to Rs.2 per head in other theatres.

State Excise

- **Increase in Additional Excise Duty rates by 16% to 40% across all the 17 slabs. *[Ex: Indian Made Liquor (IML)]***
- Electronic payment (e-payment) facility for payment of Excise Duty and other amounts.

- A modernized Excise Academy to be set up at Kallukote village, Sira Taluk, Tumkur district.

Stamps and Registration

- **Revision of Guideline Market Values WEF 1st August 2013.** ***(Details to be notified)***

- Creation of a permanent dedicated valuation cell in the State.

- Steps for collection of additional Revenue from stamp duty on instruments relating to import of goods.

Transport Relief

- 50% concession in Motor Vehicle Tax to Maxi Cabs exclusively carrying school children.

Goods and Services Tax:

- Constitution of GST Consultation Committee in the Commercial Taxes Department.