Updates of Union Budget - 2016-17

1. The govt is implementing unified agricultural market scheme for farmers to access markets easily with e-platform
2. Identified 9 pillars for having a transforming impact on the economy and Life of people
   1) Agri / Farm and welfare
   2) Rural Focus
   3) Social Healthcare
   4) Education and Job creation
   5) Investments to improve quality of Life
   6) Infratructure Focus
   7) Ease of Business
   8) Fiscal discipline
   9) Tax Reforms
3. Agriculture, Rural Sector, Social Sector (healthcare), Education, Infrastructure, Financial Sector, Governance and Ease of Business, Fiscal Discipline, Tax Reform
4. Long-term irrigation fund of Rs 20,000 cr to be created
5. India's GDP at 7.6 per cent despite slowdown in exports,
6. Foreign exchange reserves are at highest ever level
7. 100% rural electrification by May 1, 2018, 8500 crore rupees for rural electrification
8. Rs 500 crore allocated to pulses production
9. 100 kms road construction per day currently to be stepped up
10. Need to think beyond food security to income security for agri and farmers
11. Digital literacy mission scheme to include 6 crore more households in next 3 years
12. Rs 87,765 cr allocated for rural development in this Budget
13. Rs 2000 cr to be allocated for LPG cylinders to women members of poor families
14. 75 lakh middle income people have given up LPG subsidy through 'Give it Up' scheme
15. 3,000 medicines stores under Prime Minister Jan Ausidhi Yojna to be started
16. PM Modi has called for entrepreneurship amongst SC and ST. For this Cabinet has approved Rs 500 crore through 'Stand Up India' scheme to promote SC, ST and women entrepreneurs
17. Total outlay for infrastructure of 2016-17 stands at Rs 2,21,246 cr
18. Abolition of Permit Raj to be medium-term goal
19. 100% FDI in the marketing of food products produced and manufactured in India
20. The weighted deduction under section 80JJA suffered from a basis anamoly of purpose with the requirement that the new employee must be engaged for at least 300 days; this meant that the employee would need to be engaged in the window period of April to May to enable the tax assesse to avail deduction. The reduction to

240 days makes it more practical for tax assessees to avail of this well-intentioned deduction

21. Department of Disinvestment to be renamed Department of Investment and Public Asset Management
22. RBI Act to be amended to give statutory basis for monetary policy framework
23. SARFAESI Act to be amended to give sponsors of Asset Reconstruction Company (ARC) 100 per cent stake
24. Rs 25,000 crore for recapitalisation pf PSU banks
25. Govt has option to reduce stake in IDBI below 50 per cent
26. Public sector general insurance companies to be listed on stock exchanges
27. Targeted deliveries of financial and other subsidies through Aadhaar framework should be initiated
28. Companies Act to be amended to facilitate ease of doing business, Start-ups to register in one day
29. Deduction will be available for all assess for who are covered under tax audit for 30% of expenditure for additional employments. The number of days conditions has been reduced from 300 to 240. Earlier this was for only manufacturing undertakings
30. FY17 Fiscal deficit target at 3.5 per cent
31. Target of disbursement under MUDRA increased to Rs 1,80,000 crore
32. No change in tax slabs, but some relief for middle class
33. Increase HRA to Rs 60,000 Per annum
34. Tax proposals to provide relief to small taxpayers through rebates
35. 2 crore tax payers to get relief of Rs 3,000 in case of income under Rs 5 lakh
36. Proposed tax rebate under section 87A from Rs 2,000 to Rs 5,000
37. Plan and non-plan expenditure classification to be done away with from 2017-18
38. Fiscal target to have a range than fixed target to give govt elbow to manage uncertainties
39. Lower corporate for next financial year for companies upto Rs 5 cr turnover to 29 per cent for 2015
40. Proposed to extend presumptive income tax to all professional with income limit of Rs 50 lakhs
41. Start Ups: Exemption for 3 out of 5 years. MAT applies. Capital Gains not taxed where investment made in notified funds or in start ups where they hold majority
42. Accelerated Depreciation limited to maximum of 40%
43. Service tax exempted for housing construction of houses less than 60 square metre
44. Boost for startups! 100% tax deductions for new startups for first 3 years
45. 10-15 per cent increase in excise duty on tobacco products, including cigarettes
46. Dividend taxed at 10% in the hands of individual receiving income in excess of INR 10 lakhs (in addition to DDT paid by the company)
47. Services provided by EPFO exempted from service tax
48. Krishi Kalyan Cess of 0.5% on all taxable services

49. 100% deduction for profits of undertakings from housing projects in cities during Jun '16-Mar '19
50. Instead of 12 per cent, 15 per cent surcharge on income tax for those with incomes exceeding 1 crore per annum
51. Security transaction tax on options to be raised from 0.017 per cent to 0.05 per cent Tax treatment should be uniform for defined benefits and contribution of pension scheme and plans
52. Penalty to be 50% of tax in income under-reporting cases, 200% in misreporting of facts
53. Levy of heavy penalty for non payment of tax has led to high litigation. Proposal to modify scheme for penalties
54. Sept 30 window to declare undisclosed income. No retrospective taxation to be undertaken
55. Tax Collect at source of 1%
56. 1% tax on luxury goods and cars
57. Additional 5% tax on all taxable services under Krishi Kalyan Tax for benefit of farming community
58. I-T department will expand e-sahyog to assist small taxpayers
59. Service tax exempted for services provided under Deen Dayal Upadhaya Grameen Yojana, other welfare schemes
60. Net revenue gain of Rs 19,610 crores due to surplus from indirect taxes
61. Rationalisation of TDS provisions to benefit the Individuals