BUDGET 2010-11 PROPOSAL	IMPACT OF PROPOSAL
Goods and Services Tax (GST) and Direct Taxes Code (DTC) to be made effective from April one, 2011	Neutral
Power allocation doubles to Rs 5,100 crore	Good
Interest subvention for timely repayment of crop loans raised from one per cent to two per cent, bringing the effective rate of interest to five per cent.	Very Good
Repayment of loan by farmers extended by six months to June 30, 2010 in view of drought and floods in some part of the country	Good
Need to take firm view on opening up of the retail sector	Neutral
Plan allocation for health and family welfare increased to Rs 22,300 crore from Rs 19,534 crore	Good
Government to provide Rs 16,500 crore to public sector banks to maintain tier-I capital	Good
Allocation for development of micro and small scale sector raised from Rs 1,794 crore to Rs 2,400 crore.	Good
Fiscal Deficit is 5.50 % for 10-11 against 6.90 % of 09-10	Very Good
Government pays oil subsidy and fertilizer in cash rather than in the form of bonds	Very Good
A unique identity symbol would be provided to the Indian Rupee in line with US Dollar, British Pound Sterling, Euro and Japanese Yen.	Good
Government to contribute Rs 1,000 per year to each account holder under the new pension scheme.	Good
Income tax dept will notify new return form – Saral - 2 form of 2 pages for salaried people	Good
New income tax slabs upto Rs. 1,60,000 – Nil 160000 – 5,00,000 - 10% 500000 – 8,00,000 - 20% Above 8,00,000 - 30% ,No Surcharge	In line with the new direct tax code.
Additional saving of Rs. 20,000 for infrastructure bonds over and the existing limit of Rs. 1,00,000 u/s 80C	Good
Surcharge of 7.5% on domestic companies down from 10%	Good
MAT 18% on book profit increased from 15%	Bad
Weighted deduction on in house research & development – 200%	Good
Tourism Sector – investment in new hotel in 2 star category in any place in India	Good
Housing & real Estate should complete project within 5 years instead of 4 years to claim deduction under section 80IB	Good
home buyers get one per cent interest subsidy for banking loans up to Rs 10 lakhs provided the cost of house does not exceed Rs 20 lakhs.	Good
Turnover for Tax Audit increased from 40 lakhs to 60 lakhs and from 10 lakhs to 15 lakhs	Good
Presumptive taxation limit increased to 60 lakhs	Good
TDS limits have been rationalize	Good
TDS can be deducted at any time during the year and paid before filing of return interest raised upto 18%	Welcome provision
Conversion of Firm to LLP will not attract capital gains	Good
INDIRECT TAXES	
Excise duty increased on petroleum products, Cement, Large Cars, SUVs, multi utility vehicles, Cigarettes, Non smoking tobacco, Peak excise duty hiked from 8% to 10%	Neutral
Excise duty reduced on LED Lights, Components and parts of Electric Cars, Solar power based, rubber latex, corrugated boxes, toys,	Good
External commercial borrowing will be available for food storage industries	Good
Service Tax is unchanged to 10% ,Service Tax on new services to be notified Online news agencies	Good
Services Tax on following services removed: Transportation by road for Pulses Testing of agriculture seeds News agencies	Good
Simplified excise duty payment procedure for small manufacturers	Very good
Peak customs duty remains unchanged at 10%, Custom Duty increased on few items	Neutral
Custom Duty reduced on gaming software	Neutral
Customs duty on gold, platinum imports raised to Rs 300 from Rs 200.	Bad

Compiled by CA. Yogesh Bhartiya

Disclaimer :The above writeup is based on the FM speech only as more details are awaited.