

Budget 2019 highlights: Full tax rebate for individuals earning upto Rs 5 lakh/year

The interim Budget, also known as a vote on account, will seek the Parliament's nod for meeting the expenditure for the first six months of new fiscal 2019-20. A full-fledged Budget will be presented in Parliament once the new Central government is formed after the general elections, due in March-April.

- * Individual taxpayers with annual income up to 5 lakh rupees to get full tax rebate.
- * Individuals with gross income up to 6.5 lakh rupees will not need to pay any tax if they make investments in provident funds and prescribed equities.
- * Standard tax deduction for salaried persons raised from 40,000 rupees to 50,000 rupees.
- * TDS threshold on rental income raised from 1.8 lakh to 2.4 lakh rupees
- * "Around 3 crore middle-class taxpayers will get tax exemption due to this measure," the finance minister said.
- * Benefit of rollover of capital tax gains to be increased from investment in one residential house to that in two residential houses, for a taxpayer having capital gains up to 2 crore rupees; can be exercised once in a lifetime.
- * Allocation for North Eastern region proposed to be increased to Rs 58,166 crore in this year a rise of over 21% from the previous year.
- * Increased allocation for Rashtriya Gokul Mission to 750 crore in current year.
- * Two per cent interest subvention to farmers pursuing animal husbandry and fisheries.
- * "Urgent action needed to increase hydrocarbon production to decrease imports; change in bidding procedure and exploration procedure being implemented," Goyal added.
- * Committee under NITI Aayog to be set up to identify and denotify nomadic and semi-nomadic communities; Welfare Development Board to be set up under Ministry of Social Justice and Empowerment for welfare of these hard-to-reach communities and for tailored strategic interventions.
- * Mega Pension Yojana, namely Pradhan Mantri Shram Yogi Mandhan, to provide assured monthly pension of 3000 rupees per month, with contribution of 100 rupees per month, for workers in unorganised sector after 60 years of age.
- * "(This) will benefit 10 crore workers in unorganized sector, may become the world's biggest pension scheme for unorganized sector in five years," Goyal said.

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- * Benefits under Sec 80(i)BA being extended for one more year, for all housing projects approved till end of 2019-2020.
- * We are poised to become a 5 trillion dollar economy in the next five years, we aspire to become a 10 trillion dollar economy in the next eight years.
- * Businesses with less than Rs. 5 crore annual turnover, comprising over 90% of GST payers, will be allowed to return quarterly returns.
- * Two per cent interest subvention on loan of 1 crore for GST registered MSME units.
- * Businesses with less than Rs. 5 crore annual turnover, comprising over 90% of GST payers, will be allowed to return quarterly returns.
- * Group of Ministers examining how prospective house buyers can benefit under GST.
- * Direct tax collections from 6.38 lakh crore rupees in 2013-14 to almost 12 lakh crore rupees; tax base up from Rs 3.79 crore to Rs 6.85 crore. 99.54% returns have been accepted without any scrutiny. In January 2019, GST collections has crossed 1 lakh crore rupees.
- * GST has been continuously reduced, resulting in relief of 80,000 crore rupees to consumers; most items of daily use for poor and middle class are now in the 0%-5% tax bracket.
- * GST is the undoubtedly the biggest taxation reform implemented since Independence; through tax consolidation, India became one common market; inter-state movements became faster through e-way bills, improving Ease of Doing Business.
- * Within almost two years, almost all assessment and verification of IT returns will be done electronically by an anonymized tax system without any intervention by tax officials.
- * "Cost of data and voice calls in India is now possibly the lowest in the world; mobile and mobile part manufacturing companies have increased from 2 to 268," he said.
- * Single window clearance for filmmaking to be made available to Indian filmmakers, anti-camcording provision to be introduced to Cinematography Act to combat film privacy.
- * Under Pradhan Mantri Kisan Samman Nidhi, 6000 rupees per year for each farmer, in three installments, to be transferred directly to farmers' bank accounts, for farmers with less than 2 hectares land holding.
- * This initiative is likely to benefit 12 crore small and marginal farmers, at an estimated cost of Rs 75,000 crore.

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