

AVOPA BANGALORE



Tax exemption(₹)

2 lakh
(2009-14)

7.75 lakh
(2024)

Bank NPA (₹)

11%
(2014)

0.6%
(2024)

Infra spending (₹)

1.57 Lakh Cr
(2009-14)

44.3 Lakh Cr
(2019-25)

Wealth Created (₹)

13 Lakh Cr
(2009-14)

320 Lakh Cr
(2019-24)

Forex Addition

50 B
(2009-14)

350 B
(2019-23)

GDP Rank

10th
(2014)

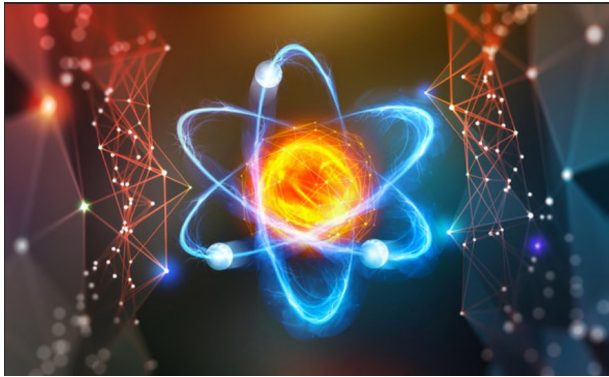
5th
(2024)

Scams

78
(2009-14)

0
(2019-24)

INDIA'S GROWTH STORY



SOCH **BADHLO**



27.07.2024

- A** Income Tax department to Laptop.
- B** Asking Data to Fetching Data.
- C** Statement of affairs to AIS.
- D** I don't trust you to I have your numbers before you.
- E** 28 States C forms to 2B Reconciliation.
- F** Paper to Digital.
- G** 80JJA then to now providing additional employment creation.
- H** Impact of Angel Tax Sunset.
- I** Budget and Actuals are matched minutely.
- J** Creating Mauritius within india [Gift City] .
- K** TDS rationalization 3 columns yearwise comparison – very old, old, now – how no. of rates have come down.

9 PRIORITIES IN BUDGET 2024

1

Employment & Skilling:

- Jobs creation and industry-specific training programs.
- Higher participation of women in the workforce.

2

Productivity & Resilience in Agriculture:

- Climate-resilient crops, natural farming, and digital interfaces for farmers.

3

Manufacturing & Services

- MSME support, credit guarantees, and industrial parks development.

4

Inclusive Human Resource Development & Social Justice:

- Socio-economic programs for tribal communities, education aid, and support for marginalized groups.

5

Next Generation Reforms:

- Digital governance, improved data security, and modernized taxation.

6

Infrastructure

- Investment in rural connectivity, flood management, and urban infrastructure.

7

Urban Development:

- Smart city initiatives, waste management, and affordable housing.

8

Innovation, Research & Development:

- R&D funding, venture capital for space economy, and private sector-driven innovation.

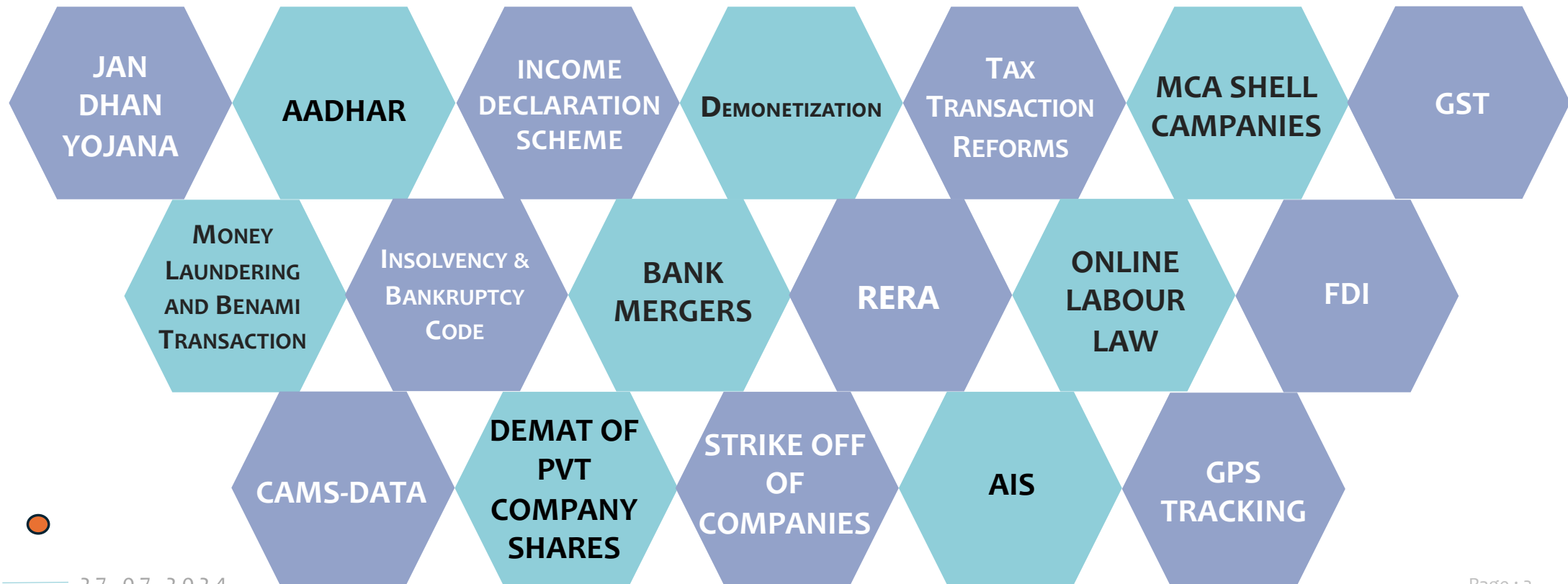
9

Energy Security:

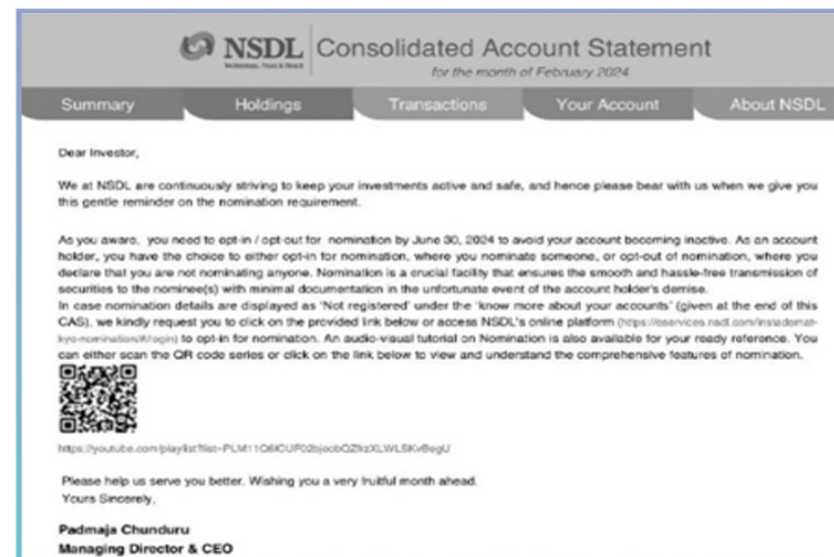
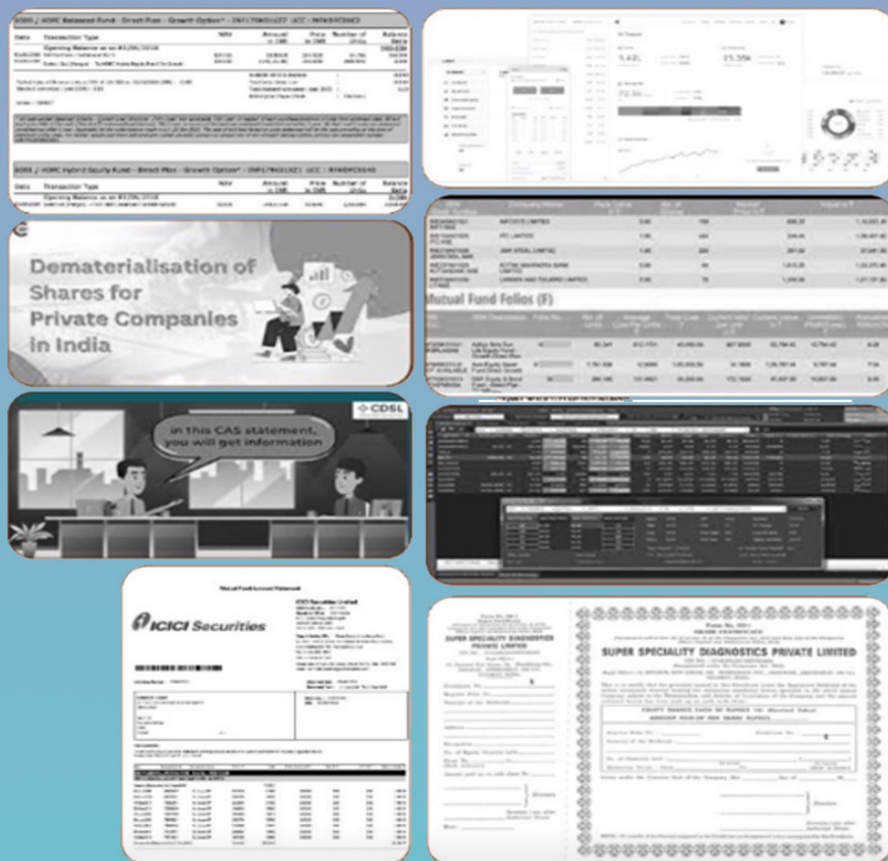
- Sustainable energy supply, nuclear energy investments, and renewable energy integration.

MYRIAD OF TAX & COMPLIANCE REFORMS

Indian government has undoubtedly been extremely aggressive in terms of enforcing stringent tax reforms at least in the past few years gone by



OLD NEW



INDIA

BUDGET 2023



→ @ Home = Earnings – Expenses = Savings

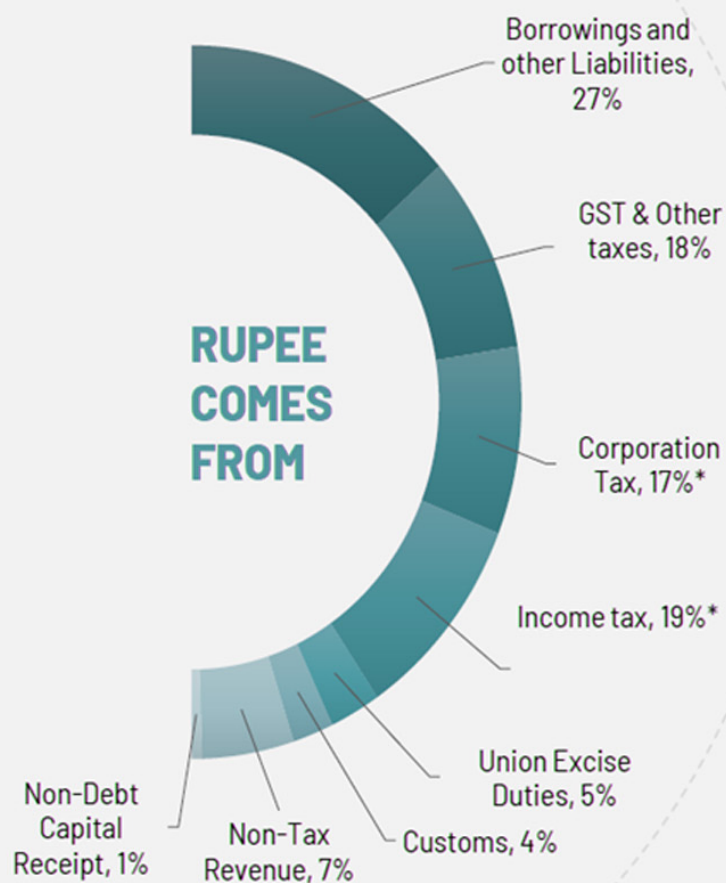
@ Government = Expenses – Income = deficit finance



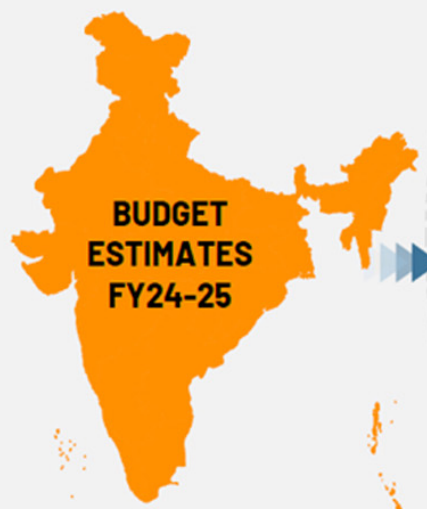
HOW INDIA WILL EARN & SPEND THIS YEAR

UNION
BUDGET
2024

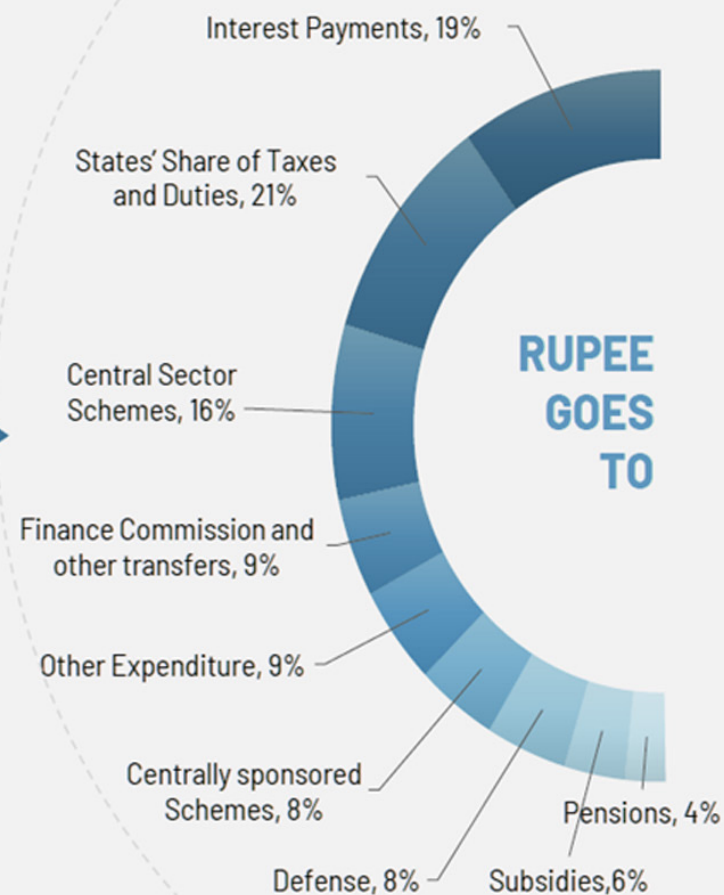
RUPEE COMES FROM



BUDGET ESTIMATES FY24-25



RUPEE GOES TO



GST

INR Lacs Crores

Year	GST collections
2017-18	7.19
2018-19	11.77
2019-20	12.22
2020-21	11.36
2021-22	14.83
2022-23	18.10
2023-24	20.14

Economic growth so high ?

Income Tax and Corporate Taxes

INR Lacs Crores

Year	Income Tax
2017-18	5.29
2018-19	5.57
2019-20	4.87
2020-21	6.14
2021-22	7.43
2022-23	8.72
2023-24	9.72 [Projected]

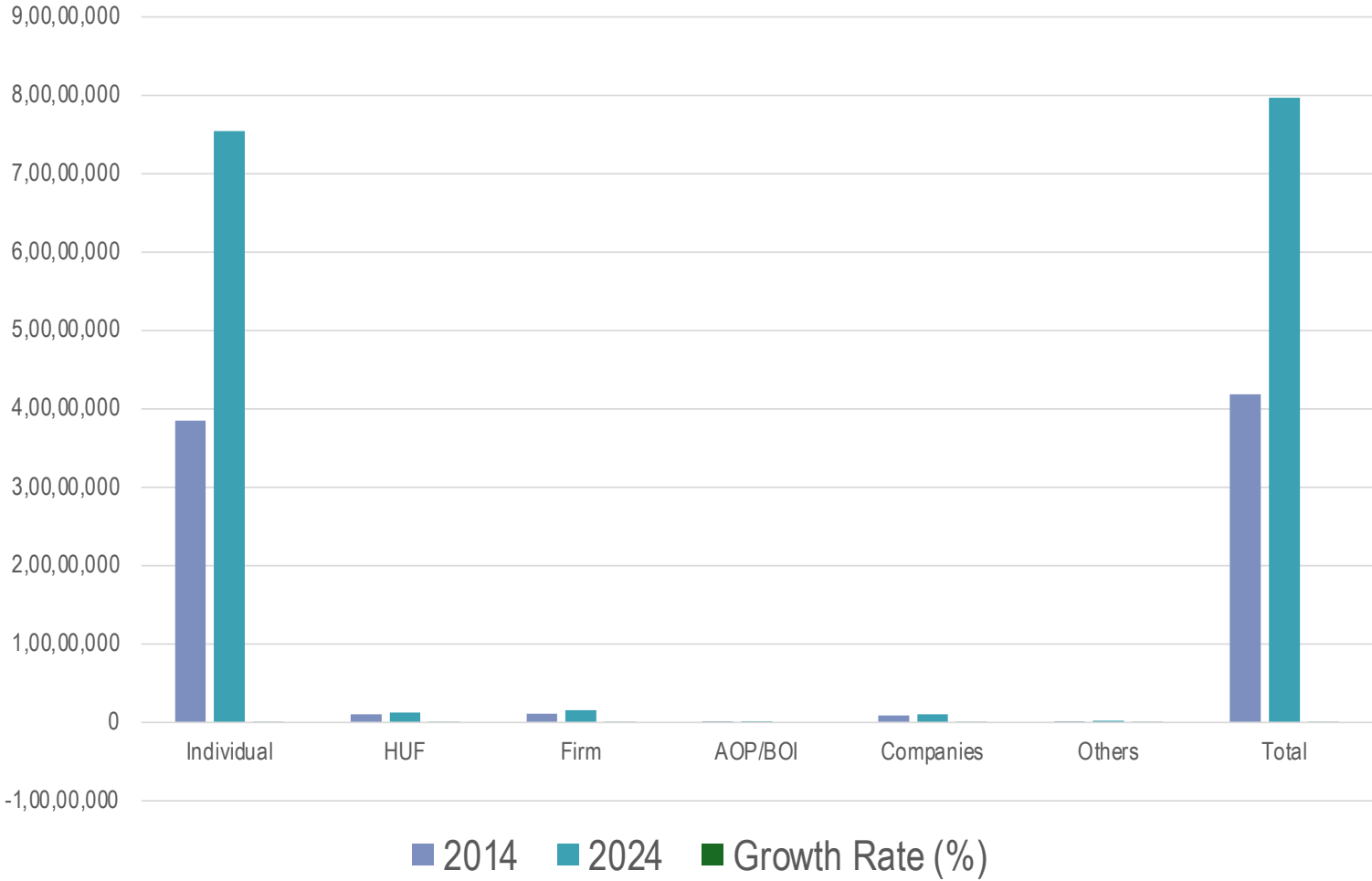
INR Lacs Crores

Year	Corporate Tax
2017-18	6.64
2018-19	6.63
2019-20	4.57
2020-21	7.12
2021-22	8.71
2022-23	9.66
2023-24	9.14 [Projected]

International Tax Rates

COUNTRY	INDIVIDUAL Max Tax %	CORPORATE Max TAX %
United Kingdom	45	25
Germany	45	15.825
France	45	25
Australia	45	30
Japan	45	23.2
China	45	25
South Africa	45	28
South Korea	45	22
Italy	43	24
United States	37	21
Mexico	35	30
Canada	33	15
India	30	25.17
Brazil	27.5	34
Russia	15	20

**COMPARATIVE
ANALYSIS OF
INCOME
TAX
RETURNS
(2014 VS
2024)**



Others Category includes – Trusts, Co-operative Societies, LLPs, Local Authorities, Artificial Juridical Persons

INDIVIDUAL TAX CHANGES: BENEFITS

POSITIVES

1 Higher Standard Deduction
₹75,000 from ₹50,000.

3 Higher Deduction for
Contribution to NPS
NPS increased to 14% from
10%.

2 Higher Exemption on LTCG
from Listed Equity and MF
Exemption from ₹100,000
to ₹125,000.

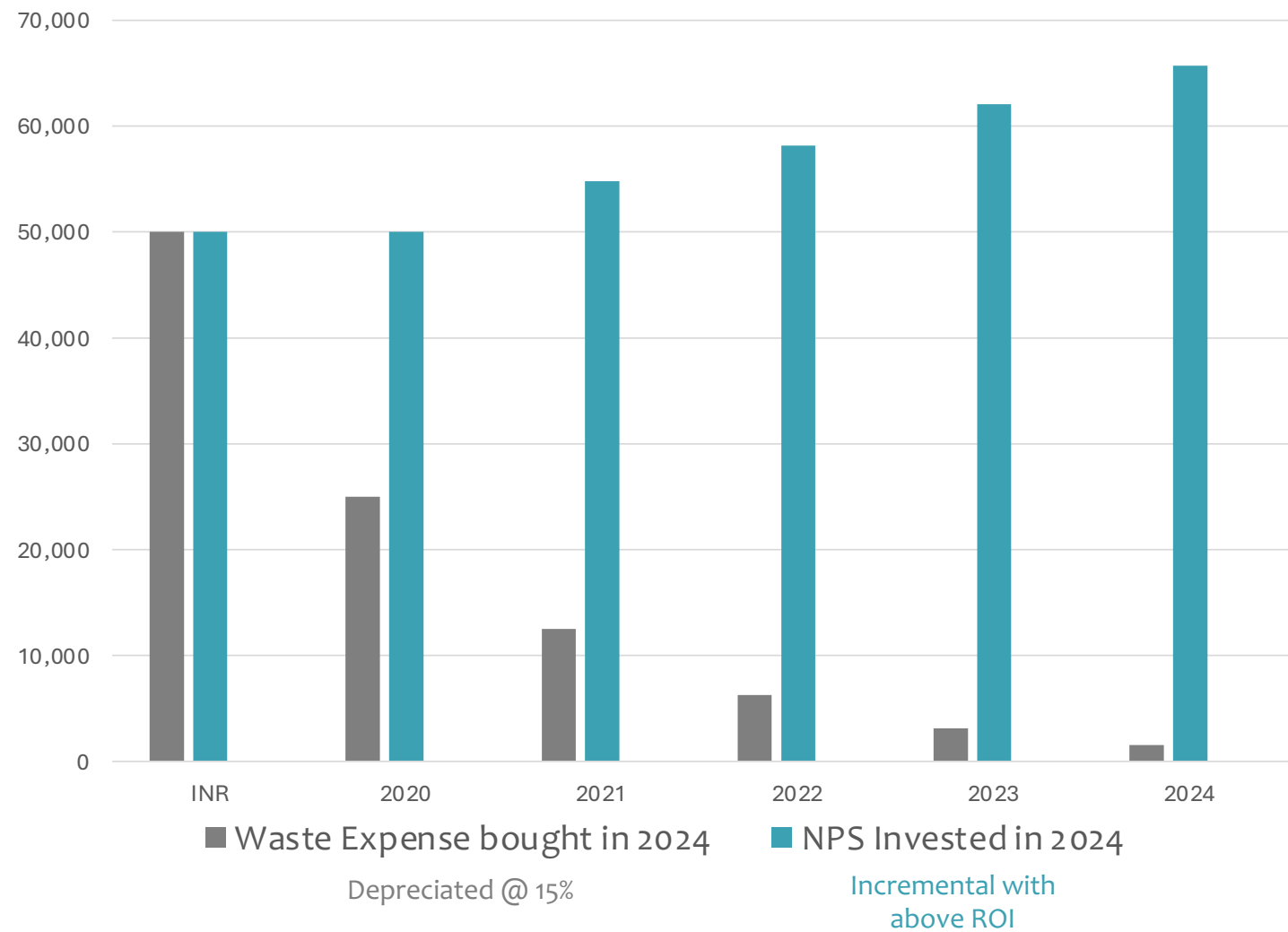
4 Change in Slab Rates in
New Regime
Tax saving 17,500

**NEW
SCHEME
COMPARISON
OF
TAX
SAVINGS**

Tax Slabs	2023-24	Tax Slabs	2024-25	Difference
Salary Income	16,00,000		16,00,000	
Net Salary	16,00,000		16,00,000	
Total Income	16,00,000		16,00,000	
3-6 Lakhs @ 5%	15,000	3-7 Lakhs @ 5%	20,000	5,000
6-9 Lakhs @ 10%	30,000	7-10 Lakhs @ 10%	30,000	-
9-12 Lakhs @ 15%	45,000	10-12 Lakhs @ 15%	30,000	15,000
12-15 Lakhs @ 20%	60,000	12-15 Lakhs @ 20%	60,000	-
> 15 Lakhs @ 30%	30,000	> 15 Lakhs @ 30%	30,000	-
Tax	1,80,000		1,70,000	10,000
Standard Deduction on Salary	50,000		75,000	
Additional 25,000 Taxable @ 30% (75,000-50,000) >> 25,000 * 30%	7,500	No Tax since Additional 25K Std deduction avbl	-	7,500
	1,87,500		1,70,000	17,500
		Invest in NPS as 10% limit raised to 14% now		17,500

NEW SCHEME
COMPARISON OF
TAX SAVINGS

Importance
Of Savings
vis-à-vis
Wasteful
Expense



ANGEL TAXATION SUNSET - IMPACT

The sunset of the angel tax provisions significantly reduces tax-related disputes, boosts investor confidence, and fosters a more favorable investment ecosystem for startups.

- **Estimated Cases** : 10,000 startups faced scrutiny due to discrepancies in share valuations.
- **Post-Removal Impact**

1. **Reduction in Cases:** 100%

2. **Investor Confidence:**

Increase in Funding: 30% ↑

3. **Simplified Compliance:**

Compliance Reduction: 60% ↓

4. **Funding Opportunities:**

Growth in Rounds and Amounts: 25-35% ↑

5. **Global Investment:**

Foreign Investments: 20% ↑

STARTUPS – BUDGETARY CHANGES

FAVORABLE CHANGES:

1

VC Fund for Spacotech Startups:

₹1,000 Crores fund to support space startups = Now X 5times, in 10 years

2

Angel Tax Abolished:

Tax on shares issued at a premium removed

3

Digital Infrastructure for Agriculture:

Implementation of Digital Public Infrastructure (DPI)

Digital crop surveys, farmer/land registries

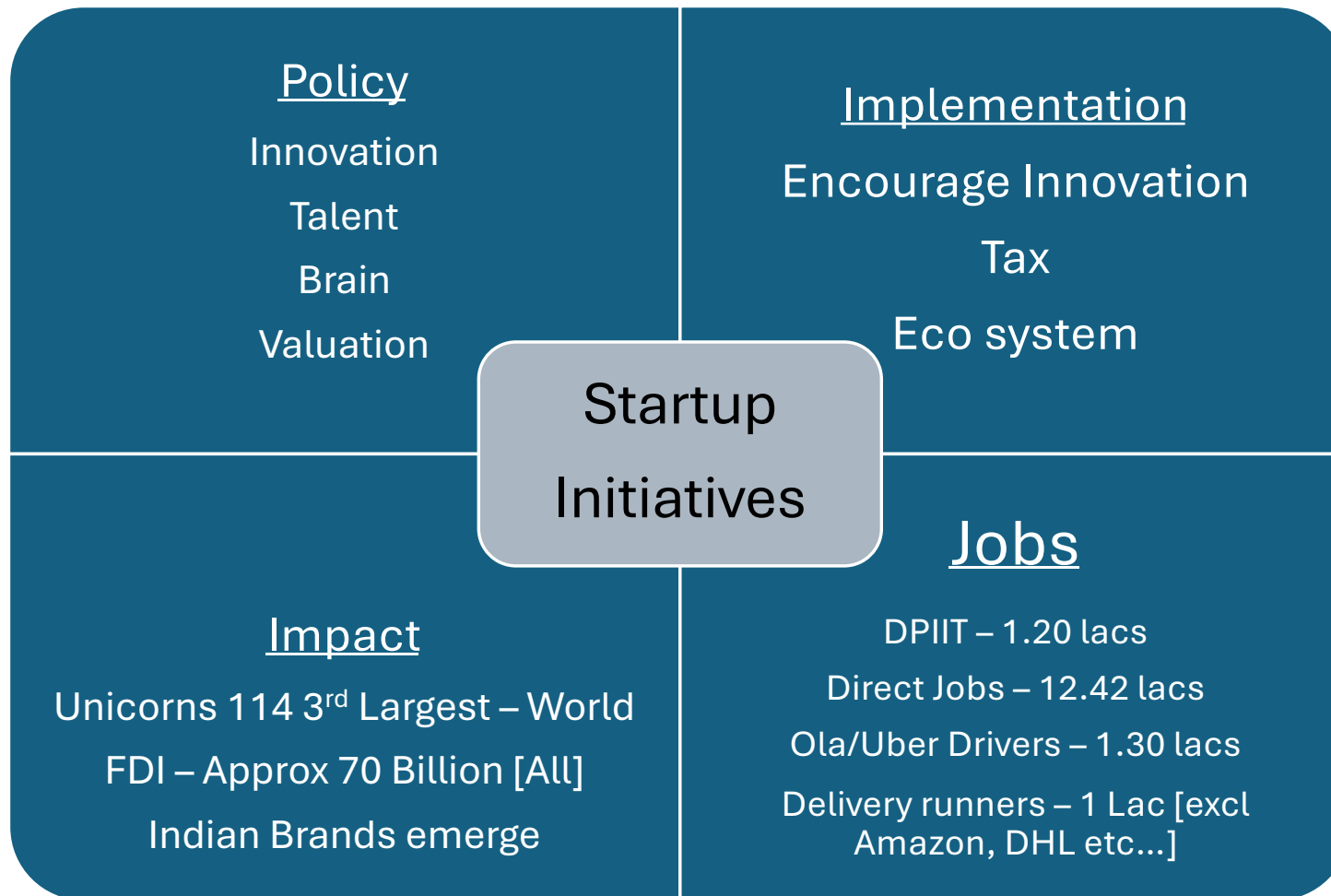
10 million farmers – Natural Farming

4

Extension of Income Tax Exemption by 1 Year:

Extended to 31.3.2025







CURRENT STATE

Operational since 2019:

Semi-high-speed train,
modern amenities and faster
travel.

LONG-TERM VISION

Enhance Connectivity and
Travel Experience

UNIQUE IN BUDGET - VANDE BHARAT: CURRENT STATE AND FUTURE PLANS

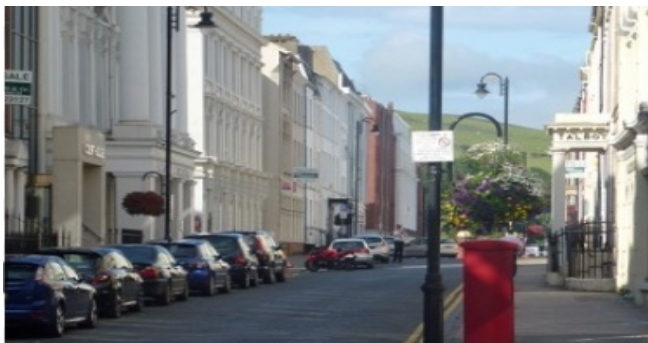
FUTURE PLANS

Conversion of 40,000 Bogies:

- 1 Goal:** Upgrade existing bogies to Vande Bharat standards.
- 2 Features:** Advanced safety, ergonomic seating, GPS-based systems, and onboard Wi-Fi.
- 3 Economic Impact:** Employment + Manufacturing
- 4 Infrastructure:** Upgrades to tracks and Signaling systems.
- 5 Environmental Benefits:** Energy-efficient, carbon emissions.

UNIQUE ASPECTS OF BUDGET 2024: GIFT CITY

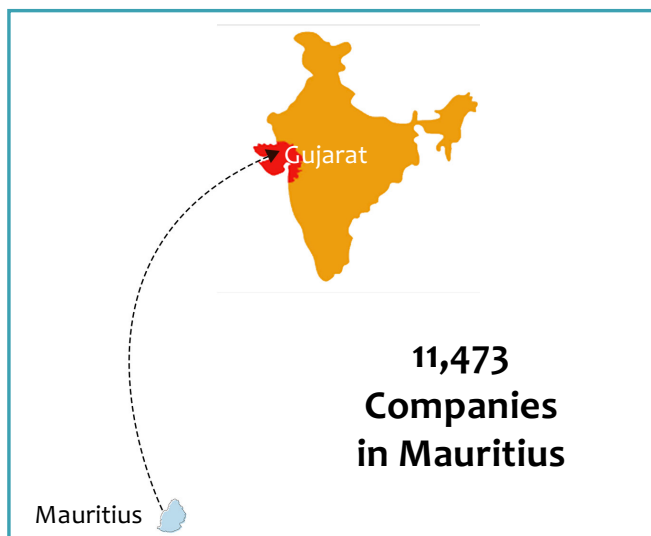
- "MAURITIUS WITHIN INDIA"



Isle of Man
24,875
companies!

KEY HIGHLIGHTS:

- 1 REGULATORY FRAMEWORK:** Simplified regulations, tax incentives, and the IFSC Authority.
- 2 TAX INCENTIVES:** Tax holidays and reduced rates for companies and professionals.
- 3 INFRASTRUCTURE:** Investment in world-class infrastructure and amenities.
- 4 EASE OF DOING BUSINESS:** Streamlined processes and single-window clearance.
- 5 GLOBAL INTEGRATION:** Facilitation of international trade and finance.



UNIQUE – SOLAR ON HOUSEHOLDS

1 Crore houses

1

300 Units

2

Permanent Solution

3



UNIQUE IN THIS BUDGET COMPARISON OF ROOFTOP SOLAR UNITS INITIATIVE IN BUDGET 2024 V/S FREE

Aspect	Rooftop Solar Units Initiative	Free	Impact of Rooftop initiative
Electricity Provided	Up to 300 units per month	Up to 200 units per month	😊
Scope	National: 1 crore households	Few States	😊
Source of Energy	Solar	KEB	😊
Sustainability	Environment	Depends on Rains	😊
Economic Relief	Permanent	Conditional	😊

UNIQUE - COMMITMENT TO BUILD 2 CRORE MORE HOUSES UNDER PM AWAS YOJANA GRAMIN

KEY HIGHLIGHTS:

OBJECTIVE:

Address rural housing shortages

IMPLEMENTATION:

State + Centre

EMPLOYMENT:

- Generation of rural employment, opportunities
- promoting skill development and empowerment.



UNIQUE - IBC REFORMS

INTEGRATED TECHNOLOGY PLATFORM FOR IBC

- To enhance the outcomes of the IBC.
- Consistency, Transparency, Timely Processing, and better oversight for all stakeholders.

VOLUNTARY CLOSURE OF LLPS

- The Centre for Processing Accelerated Corporate Exit (C-PACE) services - voluntary closure of LLPs

NATIONAL COMPANY LAW TRIBUNALS

- Resolved over 1,000 companies, direct recovery of over ₹3.3 lakh crore for creditors.
- 28,000 cases involving over ₹10 lakh crore have been disposed of

STATISTICS OF INCOME TAX APPEALS IN INDIA

Key Statistics

1. Total Number of Appeals Pending:

January 1, 2024, - 361,748 appeals – CIT Appeals pending

The total number of pending appeals across all appellate authorities is over 500,000.

2. Appeals Distribution:

1. CIT(A): Approximately 361,748.
2. ITAT : Around 100,000
3. High Courts: About 40,000
4. Supreme Court: Approximately 20,000

3. Time for Resolution:

Time to resolve an appeal on an average is 3 to 4 years!



STATISTICS OF INCOME TAX APPEALS IN INDIA

4.Success Rates:

Taxpayers approximately 20-30%,
Tax authorities, 50-60%.

5.Common Reasons for Appeals:

Disputed assessments, disallowance of expenses,
transfer pricing issues, and penalties

6.Recent Initiatives for Fast-Track Resolution:

1. **Vivad se Vishwas Scheme:** Reducing pending tax disputes - one-time opportunity -to settle disputes.
2. **Faceless Appeal Scheme:** Online – Physical Presence no need
3. **National Faceless Appeal Centre (NFAC):** Established to centralize and streamline the appeal process



New initiatives in Tax Administration

- 1 - Notices Issued - Rental Claims/LTA claims
- 2 - Landlord clicked NO
- 3 - Discrepancy found

RENT RECEIPT

Tenant's Name: _____

Receipt No. 02

Date 01/07/17

Received with interest from: _____

(Tenant)

Address 396 H, Top Floor, Mayapuri Vihar, Phase-I, P2

The sum of Rupees Seventy Five Thousand only

Monthly Rent ₹ 25,000/- for July 2017 to Sep 2017

Last Received ₹ _____ House Tax ₹ _____

Water Charges ₹ _____ Electricity Charges ₹ _____

Total ₹ _____ Balance ₹ _____ Amount ₹ _____

₹ 75,000/-

Signature: _____

Stamp: _____

SECTION 133C – INCOME TAX ACT

IMPACT ON RENTAL INCOME POST BUDGET 2024

	Earlier	Now
Rent	24Lacs	24Lacs
Taxation	As Business	House Property
Expenses	20 lacs	30%
Pay Tax on	4 lacs	16 Lacs



IMPACT OF CUSTOMS RATE CHANGES

UNION
BUDGET
2024

What gets Cheaper?

- 01 ►►► Gold & Silver ornament will become cheaper- duty reduced from 15% to 6%
- 02 ►►► Steel sector- duty on multiple metals reduced to Nil
- 03 ►►► Access to affordable Medicines Like Drugs for cancer can have a direct positive impact on public health outcomes- duty on 3 medicines reduced from 10% to Nil
- 04 ►►► Mobile phones get cheaper as duty reduced from 20% to 15%

Laboratory chemicals becomes expensive -
duty increased from 10% to 150%

Other roasted nuts like arecanuts - duty
increased from 30% to 150%

What gets Expensive?

140 crore people

140 crore expectations

Higher STT on F&O Transactions

- Securities Transaction Tax (STT) on futures increased to 0.02% and on options to 0.1%

Gains on Share Buy Back to Attract Higher Tax

- Share buyback taxed as deemed dividend, without the set-off of the cost of acquisition of shares.

Indexation removal for Long term Capital Gains

- Could have been given as a choice to choose indexation to the advantage of the tax payer

GST Structure Simplification

- Simplifying the structure and compliance issues to eliminate burden of businessman

Clarification on Income-tax Clearance Certificate (ITCC) Requirements



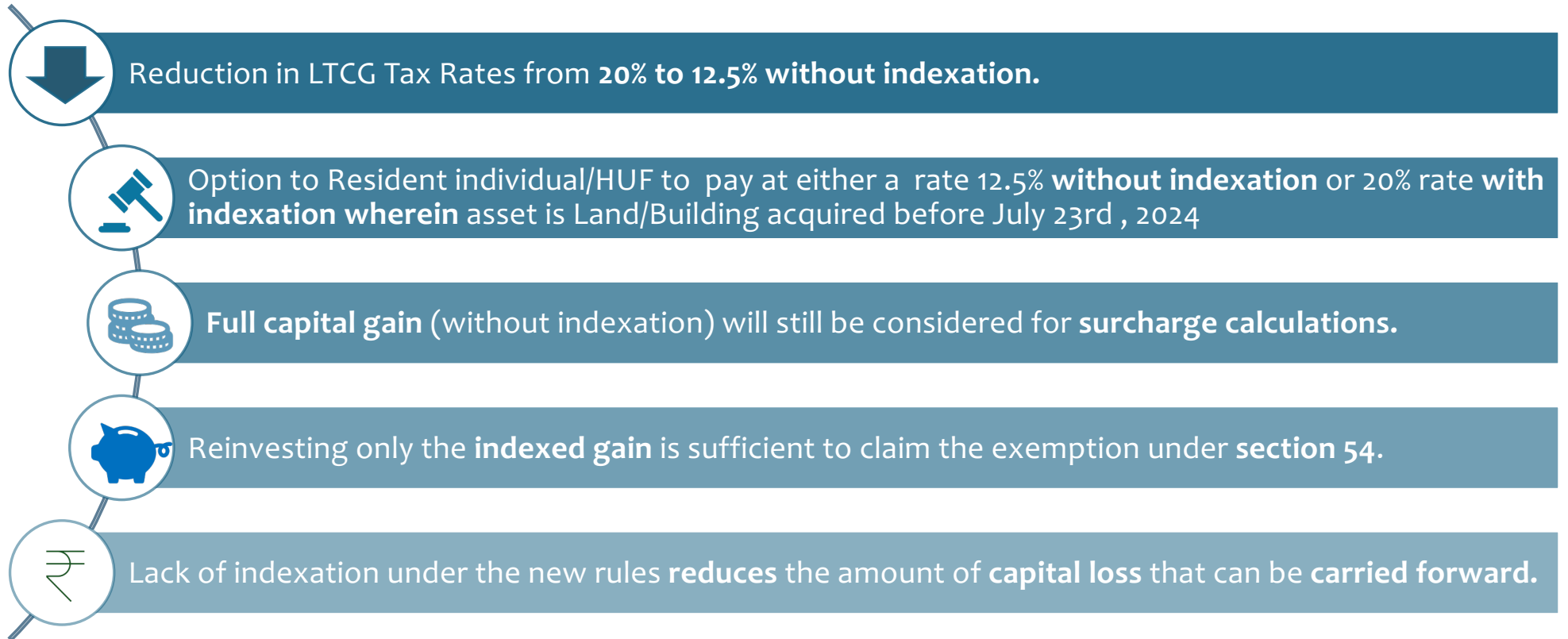
Inclusion of the **Black Money Act, 2015** for liabilities.

No general requirement for all Indian citizens to obtain ITCC before leaving the country.

ITCC is required when there is involvement in **serious financial irregularities** and **Unpaid tax demand** exceeding Rs. 10 lakh, which is not stayed by any authority.

The requirement has been in place since **2003** and remains **unchanged** despite the recent amendments.

AMENDMENTS IN CAPITAL GAINS



**WITHOUT
INDEXATION
(NEW
PROVISION)
VS
WITH
INDEXATION
(OLD
PROVISION)**

Particulars	Without Indexation (New Provision)	With Indexation (Old Provision)
Date of Purchase	5 July 2001 (CII 100)	5 July 2001 (CII 100)
Date of Sale	5 August 2024 (CII 363)	5 August 2024 (CII 363)
Cost of Acquisition	1,00,00,000	1,00,00,000
Sale Price	5,00,00,000	5,00,00,000
Sale Consideration	5,00,00,000	5,00,00,000
Less: Cost of Acquisition (COA)	1,00,00,000	3,63,00,000
Capital Gain	4,00,00,000	1,37,00,000
Tax Rate	12.50%	20%
Income Tax on Capital Gain	50,00,000	27,40,000

Important Note: Income under the head "Capital Gain" shall be ₹ 4,00,00,000, not ₹ 1,37,00,000. Due to this, a higher rate of surcharge may apply to the taxpayer.

REINVESTMENT EFFECT (EXEMPTION UNDER SECTIONS 54 & 54EC)

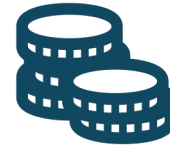
Particulars	Without Indexation (New Provision)	With Indexation (Old Provision)
Sale Consideration	₹ 5,00,00,000	₹ 5,00,00,000
Less: Cost of Acquisition (COA)	₹ 1,00,00,000	₹ 3,63,00,000
Capital Gain	₹ 4,00,00,000	₹ 1,37,00,000
Less: Exemption under Section 54	₹ 1,37,00,000	₹ 1,37,00,000
Balance Capital Gain	₹ 2,63,00,000	₹ 0
Tax Rate	12.5%	20%
Income Tax on Capital Gain	₹ 32,87,500	₹ 0

Important Note: The income under the head "Capital Gain" shall be ₹ 2,63,00,000.

INCOME TAX COMPUTATION



As per the amended provision, Income Tax computed as per the new provision is in excess of ₹ **22,60,000** (₹ 50,00,000 - ₹ 27,40,000) compared to the old provision, and hence, this excess amount shall be ignored.



As per the amended provision, the Income Tax computed as per the new provision is in excess of ₹32,87,500. This excess amount shall be ignored.

THANK YOU