

Income Tax

- Wealth-tax replaced with additional surcharge of 2 per cent on super rich with a taxable income of over Rs. 1 crore annually.
- Corporate tax proposed to be reduced from 30% to 25% over the next four years, starting from next financial year.
- Yoga to be included within the ambit of charitable purpose under Section 2(15) of the Income-tax Act.
- No change in rate of personal tax.
- Increase in the limit of deduction in respect of health insurance premium from Rs 15,000 to Rs 25,000. For senior citizens the limit will stand increased to Rs. 30,000 from the existing Rs. 20,000.
- The deduction limit of Rs. 60,000 towards expenditure on account of specified diseases of serious nature is proposed to be enhanced to Rs. 80,000 in case of very senior citizens.
- Additional deduction of Rs 25,000 will be allowed for differently abled persons under Section 80DD and Section 80U of the Income-tax Act.
- To provide social safety net and the facility of pension to individuals, an additional deduction of Rs 50,000 is proposed to be provided for contribution to the New Pension Scheme under Section 80CCD. This will enable India to become a pensioned society instead of a pension less society.
- Transport allowance exemption is being increased from Rs. 800 to Rs. 1,600 per month.