

Budget: Jaitley may offer tax breaks for individuals

PTI

[IIFL Free Trading Account](#) - Zero Opening Charges, Easy to Use Platform & Low Brokerage Charges!indiainfoline.com/Open-an-Account

New Delhi, Feb 22:

Eager to win over middle class after the Delhi poll debacle, Finance Minister Arun Jaitley on February 28 is expected to present a common man friendly Budget by either raising tax slabs or hiking investment limit in savings instruments.

Besides giving sops to the individual tax payers, he is also expected to unveil initiatives to boost investments by corporates and promote manufacturing as part of the Make In India campaign that aims to make India a global manufacturing hub and create jobs.

Jaitley, who in his maiden Budget in July 2014 had outlined his approach to providing relief to individual tax payers, is expected to continue this in the BJP government's first full year Budget on Saturday.

Last year, he had raised the personal Income Tax exemption limit by ₹ 50,000 to ₹ 2.50 lakh and also raised by same amount the exemption from payment of I-T on savings to ₹ 1.50 lakh.

However, this time around Jaitley, according to experts, may choose only one of them as he looks at additional revenue to boost public spending and push economy to high growth path.

He may also look to raise the tax exempted investment limit in health insurance as well as exempt savings in pension schemes at all three stages — entry, accrual and withdrawal.

Another option before the Finance Minister is to expand the scope of Leave Travel Allowance (LTA) and allow people to claim tax benefit every year.

The BJP Government fared badly in the recently concluded Delhi Assembly elections, winning only three out of 70 seats.

(This article was published on February 22, 2015)

Printable version | Feb 23, 2015 11:11:22 AM | <http://www.thehindubusinessline.com/economy/budget/budget-jaitley-may-offer-tax-breaks-for-individuals/article6922018.ece> © The Hindu Business Line