

UNION BUDGET 2012-13

FIRST REACTION

INDIRECT TAXES

EXCISE

- Excise Duty Peak Rates Increased In General –
 - 10% Increased to 12%
 - 5% Increased to 6%
 - 1% Increased to 2%

SERVICE TAX

- Service Tax Rates Increased from 10 to 12%
- All services other than in negative list to be taxed
- Harmonization of Excise & Service Tax – One Page Common Return Form EST 1 To Be Notified

CUSTOMS DUTY

No Change In Customs Peak Rates

Customs Duty on import of waste paper **exempted**,

GOODS & SERVICE TAX

- Government expected to be operational by August 2012
- I.T. Infrastructure in place
- Pan based registration for transparency & to check evasion

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DIRECT TAXES

DIRECT TAX CODE

- To implement DTC at the earliest

INCOME TAX

- Income Tax Exemption Slab raised from 1.80 Lakhs to 2.0 Lakhs
- Income Tax Slab of Rs. 5.0 Lakhs to Rs. 8.0 Lakhs changed to Rs. 5.0 Lakhs to Rs. 10.0 Lakhs – For Income Tax Rates 20%
- Income Tax Slab of more than Rs. 8.0 Lakhs changed to Rs. 10.0 Lakhs Tax Rates 30%
- Deduction of Bank Interest from savings a/c allowed upto Rs. 10,000/-
- Small business turnover limit increased from Rs. 60.0 Lakhs to Rs. 1.0 Crores for eligibility of non-audit under Income Tax

For Federation of Corrugated Box Manufacturers of India