



FIRST REACTION

INDIRECT TAXES

EXCISE

Excise Duty Peak Rates No Change – 12%

Other rates remain as before – 6%

There is no change in the rate of Primary Education cess & SHE cess which remains @ 2% & 1% respectively.

No Change In Excise Rates For The Industry – Corrugated Board Boxes, C.Board, Scrap, Paper & Board

SSI EXEMPTION LIMIT

No Change for the industry.

The SSI Exemption Limit, under Notification No. 8/2003 C.E continues upto clearances of Rs. 1.5 Crores in a financial year; eligibility criterion of preceding year remains at Rs. 4.0 Crores.

AREA BASED EXEMPTION – CAPTIVELY CONSUMPTION OF GOODS EXEMPTED

Goods manufactured and captively consumed within the factory of production in the manufacture of final products in respect of which exemption is claimed under Area Based Exemption Scheme under notification Nos. 49/2003-CE & 50/2003 CE, both dated 10th June 2003 (available for Uttarkhand & Himachal Pradesh) is being exempted from excise duty. Notification No. 7/2013-ce DATED 1st. March 2013 may be referred to for details.

100% COTTON READY MADE GARMENTS – ZERO EXCISE DUTY ROUTE ALSO ALLOWED

61.1 Zero excise duty route, as existed prior to Budget 2011-12, is being restored on readymade garments and made ups. The zero excise duty route will now be available in addition to the CENVAT route under which manufacturers can pay excise duty on the final product and avail of credit of duty paid on inputs. S.No.16 of notification No. 30/2004-CE dated the 9th July, 2004 as amended by notification No.11/2013-CE dated the 1st March, 2013 and S. No.7 of notification No. 7/2012-CE dated 17th March,2012, as amended by notification No. 8/2013- CE dated the 1st March, 2013 may be referred to for details.



SERVICE TAX

- Service Tax Rates continues @ 12%
- There is no change in the rate of Primary Education cess & SHE cess which remains @ 2% & 1% respectively.
- Service Tax Abatement on G.T.A. By Road continues above 25%
- Services provided by a goods transport agency continues to be exempted by way of transportation of –
 - *goods where gross amount charged for the transportation of goods on a consignment transported in a single goods carriage does not exceed one thousand five hundred rupees; or*
 - *goods, where gross amount charged for transportation of all such goods for a single consignee in the goods carriage does not exceed rupees seven hundred fifty;”*
- Voluntary Compliance Encouragement Scheme - Amnesty schemes announced for Voluntary filing of returns/revised returns for Service Tax & Taxes to be paid for the period 01.10.2007 To 31.12.2012 – Service Tax to be paid in two installments – no interest or penalty payable. Not applicable on those on whom recovery proceedings/audit etc. has been initiated.

CUSTOMS DUTY

No Change In Customs Peak Rates, remains at 10%

Customs Duty on import of waste paper continues to be exempted

CST – NO CHANGE

GOODS & SERVICE TAX

GST – Draft Act & Constitutional Amendment Bill soon

Rs. 9,000 Crores marked for CST compensation to states



DIRECT TAXES

DIRECT TAX CODE

- To present DTC Bill during Budget session

INCOME TAX

- Income Tax Exemption Slab & Tax Rates – No Change
- **Tax Rebate of Rs. 2,000/- for Income Slabs of Rs. 2.0 To 5.0 Lakhs**
- Income Tax Surcharge Increased from 5 to 10% for Income Slabs of more than 1.0 Crores for F.Y. 2013-14 Only
- Education cess remains 3 %
- Home Loan Interest Exemption on Loans on Flats of Less Than 25 Lakhs increased from 1.5 to 2.5 Lakhs, Carry forward of unutilised exemption allowed. (Applicable from 01.04.2013)
- TDS of 1% on Immovable Properties of transaction value of more than 50 Lakhs, agricultural property exempted
- Securities Transaction Tax reduced
- Commodities Transaction Tax introduced

For Federation of Corrugated Box Manufacturers of India

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Chairman – Taxation Committee