

Update Category	Highlights of the Interim Union Budget, 2019 – Tax and other Proposals
Update Source	Union Budget Speech
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Highlights of the Interim Union Budget, 2019:

The key highlights of the Interim Union budget may be summarized as under –

Tax Proposals	
1	Within next 2 years, Income Tax assessment will be done electronically
2	IT returns processing time shall be brought down to just 24 hours
3	Minimum 14% revenue of GST shall be for the states by Central Govt
4	Custom duty has been abolished from 36 Capital Goods
5	Recommendations to GST council for reducing GST rates for home buyers. A GoM has been formed in this regard
6	Tax Rebate enhanced from Rs 2.5 lakhs to Rs 5 lakh annual income after all deductions
7	Standard deduction on Income from salary is increase from Rs 40,000 to Rs 50,000
8	Tax Exempt on notional income on second self-occupied house
9	Ceiling Limit of TDS from Interest Income on Bank/PO deposits u/s 194A has increased from Rs 10,000 to Rs 40,000
10	Ceiling Limit of TDS on rent u/s 194I has increased from Rs 1,80,000 to Rs 2,40,000
11	Capital tax Benefit u/s 54 has increased from investment in one residential house to two residential houses for capital gain upto Rs 2 Crores (only once in lifetime).
12	Benefit for all affordable Housing Projects u/s 80IB has increased to one more year i.e. upto 31 st March 2020
13	Benefit on notional rental income for unsold inventory has been increased from one year to two years
Other Proposals	
14	Small service providers having turnover upto Rs 50 lakhs can opt for composition scheme @6%
15	ESI eligibility increased from Rs 15,000 to Rs 21,000
16	New Pension Scheme - employee's contribution is 10%, government's contribution increased from 10% to 14%.
17	Tax free Gratuity limit increase to Rs 20 Lakhs from present limit of Rs 10 Lakhs
18	Bonus will be applicable for workers earning Rs 21,000 monthly
19	2% interest on loan relief granted for MSME GST registered person

Note - This is for information only. For exact details of changes, the notification/Circular may please be referred to, as and when they are issued.