

11.02.2017

West Bengal Budget 2017-18

1. Changes proposed in WBVAT Act, 2003

1.1 Threshold for payment of tax

In order to give relief to the small businesses, it is proposed to increase the threshold for payment of tax from Rs. 10 lakh to Rs.20 lakh.

1.2 VAT Registration

A small section of dealers still have to submit hard copies of the registration documents in the VAT offices. It is proposed in the budget to completely dispense with the requirement of submitting hard copies of registration documents to the VAT offices

1.3 Submission of separate audit report

It is proposed to completely abolish the provision of submission of separate VAT audit report. Instead the dealers may submit the income audit report which will be accepted as a VAT audit report as other purposes.

1.4 VAT Refund

In order to facilitate early refund, It is proposed that all pending refund cases will have to be disposed of and enclosed between 31st December 2017.

1.5 Composition scheme

Presently, only traders with annual turnover to less than Rs. 50 lakh are covered under the Composition Scheme in which there is a nominal VAT liability. It is proposed in the budget to bring small manufacturers whose annual turnover is less than Rs. 50 lakh under the Composition scheme

11.02.2017

1.6 Tax relief

It is proposed in the budget to exempt some environment-friendly items like Bio-diesel, Biomass Bricket, Solar water heater, plates and cups made up of Saal leaf, tiles of terracotta, etc and also some items for common use like kerosene stove, hair band and hair clip, etc.

2. Cess on tea

It is proposed in the budget to extend the exemption on payment of primary education and rural employment cess on tea for a further period of one year upto 31st March 2018.

3. Stamp Duty and Registration

3.1 It is proposed in the budget to reduce the Stamp Duty on Agreement to Sale from the present rate of 5 to 7 percent to 2 percent. In order to get the benefit of the reduced rate, the registration has to be done within a period of 4 years from the date of agreement on payment of the balance stamp duty.

3.2 It is also proposed to reduce the rate of Stamp Duty on a few transactions of stock exchanges, like proprietary accounts, currency, interest and debt security and bond.

3.3 It is also proposed to reduce the rate of registration fee on all by 9 percent.

3.4 It is also proposed to incentivise early registration of properties by reducing the registration fee by 20 percent if the registration is done within one year from the date of completion of property.

4. Settlement of Dispute Scheme

In December 2016, a new settlement scheme was introduced which was to end on 31st January, 2017. In view of a very positive response for the scheme from big, medium and small businesses, the scheme have been extended upto 31st March, 2017.