Twitter Thread by Abhishek | ■■■■■■ ■■■■■



Abhishek | ■■■■■■ ■■■■■
@ABHIca92



Key Highlights from the Union Budget 2021, as presented by the Hon'ble Finance Minister.

Direct Taxes -

• Vivad Se Viswas Scheme Last Date of filing extended to 28th February 2021.

• Citizens of age 75 years and above who have only Pension and Interest income – Need not file■

Income Tax Returns

• Re-opening of Assessment to reduced to 3 years from 6 years. Only where evidence of concealment of income of Rs. 50 lakhs or more – re-opening can be made up to 10 years & only with the approval of Pr.CCIT.

■

• Reducing Litigation for small taxpayers – Constitution of Faceless Dispute Resolution Panel for people with Total Income up to Rs.50 lakh and disputed income of Rs.10 lakh

• Income Tax Appellate Tribunal to become Faceless – Only electronic communication will be done

■

• Relaxation to NRIs – Rules to remove hardship of Double Taxation

• Tax Audit Limit to be increased to Rs.10 crores from Rs.5 crores for those having less than 5% cash transactions

• Dividend Tax- Dividend will be exempt from TDS. Advance tax liability on dividend income

■

will arise only after the declaration or payment of the dividend. For Foreign Investors – a lower treaty rate benefit will be given.

• Affordable Housing – Additional Interest deduction (Sec 80EEA) of Rs.1.5 lakhs to be extended for loans taken till 31st March 2022.

■

• Affordable Housing Projects – Tax Holiday extended till 31st March 2022.

• Tax Holiday for Capital Gains for Aircraft Leasing Companies and Tax Exemption to Lease paid to Foreign Persons

• Pre-Filling of Returns – Details of Capital Gains, Dividend Income and Interest

■

income will be pre-filled in the returns
• Relief to Trusts – Charitable trusts running Hospitals and Educational Institutions relief increased from Rs.1 crore to Rs.5 crore.
• Employee contribution not paid by the employer will not be allowed as a deduction.
■

• Tax holiday for Start-Ups extended to 31st March 2022. Capital Gains exemption on investment in startups also extended to 31s March 2022.

MCA, Companies Act, LLP Act
• Easing Compliance requirements of Small Companies – Threshold increased to Share Capital increased
■

up to Rs.2 crore and Turnover up to Rs.20 crore will be Small Companies
• Allow One Person Companies (OPC) to grow without any restriction in Share Capital or Turnover. NRIs will be allowed to set-up OPCs. Presence in India of 120 days in a year enough to start an OPC.
■

• Launching MCA Version 3.0 – E-Scrutiny, E-Adjudication, and Compliance management to be simplified.
• Decriminalisation of LLP Act, 2008
• Tribunals to be rationalized.

#WA ■