

HIGHLIGHTS OF GOVERNMENT OF NCT OF DELHI BUDGET- 2015-16

(PART- B)

- ❖ Perhaps First Participatory budget in Indian History involving participation of all stakeholders, both in expenditure planning and Revenue Augmentation.
- ❖ Care has been taken keeping in mind the distributive character of Delhi as important centre of trade, need for transparency and predictability in stable tax administration.
- ❖ Focus on gathering business intelligence to broad-base tax regime than tinkering with tax rates.
- ❖ Target for VAT is estimated at Rs. 24,000 crore which is 69% of total revenue collection target of this Govt.
- ❖ VAT on Timber and wood, which are important building material, is reduced from present 12.5% to to 5%. VAT on Cutlery items is proposed to reduce to 5% from present 12.5% bringing them at par with other kitchen utensils like pressure cooker/pans etc.
- ❖ Wax of all kinds will henceforth be charged at 12.5% against existing varying rates of 5%, 12.5% and 20% on different kinds of wax. This would remove ambiguity in Vat rate on Wax.
- ❖ Levy of fee in the range of Rs. 100. To Rs.1500 on Diesel run commercial vehicles except Public transport buses and taxies entering Delhi to augment the environ-friendly public transport system, installation of weigh-in-motion bridges and other initiatives to improve ambient air quality in Delhi.
- ❖ Major overhaul in Excise Duty collection on liquor proposed by shifting the point of levy of Excise Duty from transport permit level to import permit level. Excise duty not being increased only various licence fees are being increased.
- ❖ Delhi Medium Liquor (DML) is being phased out this year as it is not popular.
- ❖ Reforms in procedure of various excise licences' renewal are being introduced to simplify and cut down on time in processing.
- ❖ Luxury tax to be enhanced from present 10% to 15% for all applicable establishments.
- ❖ Entertainment tax on cable TV/ DTH services is proposed to increase from Rs. 20 to Rs. 40 and on cinema tickets from existing 20% to 40%. Betting Tax to increase from existing 10% to 20%.
- ❖ Registration Tax on all private vehicles registered in the name of companies and partnership firms being increased by 25% of the existing rate.

- ❖ It is proposed to amend the Indian Stamp Act to rationalise imposition of penalty @ 2% of deficit amount for every month of delay. Presently it ranges between Rs. 5 and ten times the deficit stamp duty. Amendments in certain other provisions of the Act are also being mooted to make the Act more effective and transparent in administration.
- ❖ Circle Rate of agricultural land in Delhi is proposed to increase from existing rate of Rs. 53 lacs to the range of Rs. 1 crore to Rs. 1.5 crore depending upon the Revenue Distt.
- ❖ The Agricultural land falling under land pooling policy of DDA will be a separate category under agricultural land for which circle rates are proposed to increase in the range of Rs. 2.25 crore to Rs. 3.5 crore depending on the Revenue Distt. in which such land falls.