

Union Budget 2023-24 (Highlights)



BUDGET HIGHLIGHTS

2023-24

- Personal Income Tax**

Rebate limit increased to ₹ 7 lakh from ₹ 5 lakh under the new tax regime, which has been made the default regime. Tax payers can still choose to be under the older regime. The new tax slabs under the new regime is as follows:

Income Slab (₹)	Tax
0 - 3,00,000	NIL
3,00,000 - 6,00,000	5%
6,00,000- 9,00,000	10%
9,00,000 - 12,00,000	15%
12,00,000 - 15,00,000	20%
15,00,000 above	30%

Surcharge at income exceeding ₹ 5 crore has been reduced from 37% to 25% under the new tax regime, reducing the effective tax rate at the highest slab to 39% from 42.74%.

- Senior Citizen Savings Scheme (SCSS)**- Investment limit increased to ₹30 lakh from ₹ 15 lakh.

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- **Post Office Monthly Income Scheme (POMIS)** -The new limit will be ₹9 lakh for a single account, up from ₹4.5 lakh and ₹15 lakh for joint account holders, up from ₹9 lakh.
- **FY23 divestment** target revised to ₹ 50,000 crore.
- **The Finance Minister announced 'Mahila Samman Bachat Patra'**- An one-time new small savings scheme – for a two-year period up to March 2025. This initiative will avail a deposit facility for a woman up to ₹ 2 lakh for two-year period at a fixed interest rate of 7.5% with partial withdrawal option.
- **Fiscal Deficit** - FM Sitharaman fixes fiscal deficit estimate for 2023-24 at 5.9%. The revised fiscal deficit for the year is at 6.4% of GDP. Intention to bring the fiscal deficit below 4.5% of GDP by 2025-26.
- **Capital investment outlay** increased by 33% to ₹ 10 lakh crores, which would be 3.3% of GDP.
- **Revamped credit guarantee scheme:** Comes into effect from April 1, 2023, through the infusion of ₹ 9,000 crore in the corpus. This will enable additional collateral-free credit of ₹ 2 lakh crore to MSMEs.

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- **Railways** - Capital outlay of ₹ 2.40 lakh crore will be provided for railways; 9x over FY14.
- **Agriculture and Fisheries**- The Finance Minister announced the government has initiated computerisation for 63,000 primary agricultural credit societies with an investment of ₹ 2,516 crore. The government will also launch a sub-scheme under PM Matsya Sampada Yojana with an outlay of ₹ 6,000 crore to further enable those involved in fisheries.
- **Infrastructure** - 50 additional airports, heliports, water aerodromes, and advanced landing zones to be revitalised. 100 critical transport infra projects for steel, ports, fertiliser, coal, foodgrain sectors have been identified with an investment of ₹ 75,000 crore including ₹ 15,000 crore from private sources.
- **Green Hydrogen Mission**- Allocated ₹ 19,700 crore to the National Hydrogen Mission. The objective is to reach hydrogen production capacity of 5 metric million tonnes by 2030.
- **National Financial Information Registry** - The government will set up a National Financial Information Registry to serve as a central repository of financial and ancillary information.

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- **Pradhan Mantri Kaushal Vikas Yojana 4.0-** In order to skill the youth for international opportunities, 30 Skill India International Centres will be set up across different states.
- **Bio input resource centres** - Over the next 3 years, one crore farmers will get assistance to adopt natural farming. 10,000 bio input resource centres will be set up.
- **Customs duty** - Proposed exemptions on the import of capital goods and machinery required for lithium-ion batteries and to increase customs duty on silver to align with duty on gold and platinum.
- **PM Awaas Yojana** - Outlay enhanced by 66% to over ₹ 79,000 crores.
- **5G services** - 100 labs for developing apps using 5G services will be set up in engineering institutions with the aim to realise new range of opportunities, business models & employment potential.
- **Education** - Eklavya Model Residential Schools in the next 3 years the Centre will recruit 38,800 teachers and support staff for 740 schools serving 3.5 lakh tribal students

Thank You

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