

Union Budget 2024-25 Key Points

Tax Proposals

1. Changes in Custom Duty
 - Fully exempt 3 more cancer medicines from custom duties.
 - Mobile industry Domestic value addition Support energy transition Boost to strategic sectors Beneficiaries Reduce BCD to 15% on Mobile phone, Mobile PCBA and charger.
 - Reduce custom duty on gold and silver to 6% and platinum to 6.4%.
 - Exempted more capital goods for manufacturing of solar cells & panels.
 - Fully exempt custom duties on 25 critical minerals.
2. Direct Tax Proposals
 - Short term gains of financial assets to attract 20% tax rate.
 - Long term gains on all financial a non-financial asset to attract a tax rate of 12.5%.
 - Increase in limit of exemption of capital gains on financial assets to ₹1.25 lakh per year.
 - Abolish ANGEL tax for all classes of investors.
 - Simpler tax regime to operate domestic cruise.
 - Provide for safe harbour rates for foreign mining companies (Selling raw diamonds).
 - Corporate tax rate on foreign companies reduced from 40% to 35%.
3. Changes in New Tax Regime
 - Standard Deduction for salaried employees increased from ₹50,000 to ₹75,000.
 - Deduction on family pension for pensioners increased from ₹15,000 to ₹25,000.

Tax Slab in 2023-24 (in Lakh)	Tax Slab in 2024-25 (in Lakh)	Tax Rate
0-3,00,000	0-3,00,000	0%
3-6,00,000	3-7,00,000	5%
6-9,00,000	7-10,00,000	10%
9-12,00,000	10-12,00,000	15%
12-15,00,000	12-15,00,000	20%
15,00,000 <	15,00,000 <	30%

Priorities of Budget 2024

1. Productivity and resilience in Agriculture-
 - Transforming Agriculture Research Comprehensive: Review of the agriculture research setup to bring focus on raising productivity and developing climate resilient varieties.
 - National Cooperation Policy: For systematic, orderly and all-round development of the cooperative sector.
 - Digital Public Infrastructure (DPI) - DPI for coverage of farmers and their lands in 3 years. Digital crop survey in 400 districts. Issuance of Jan Samarth based Kisan Credit Cards
2. Employment & Skilling

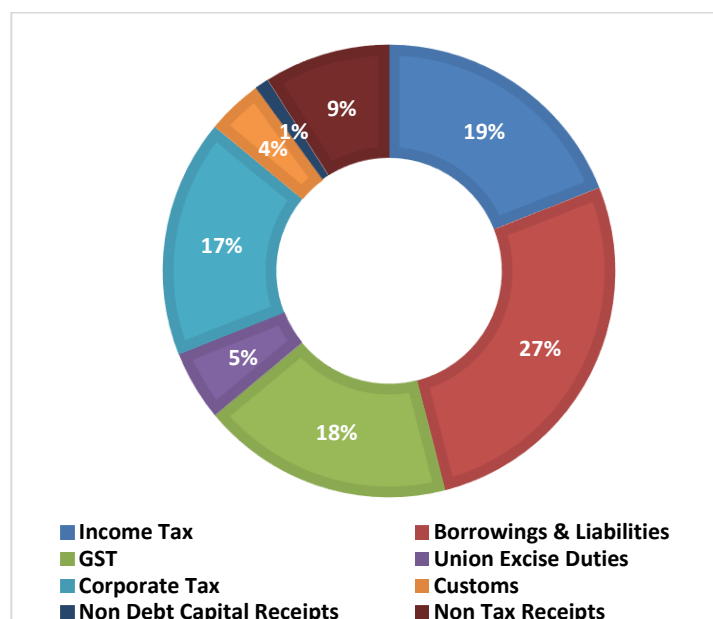
- One-month wage to new entrants in all formal sectors in 3 instalments up to ₹15,000. Expected to benefit 210 lakh youth.
 - Government will reimburse EPFO contributions of employers up to ₹3000 per month for 2 years for all new hires. - Expected to generate 50 lakh jobs.
 - 20 lakh youth will be skilled over a 5-year period. 1,000 Industrial Training Institutes will be upgraded in hub and spoke arrangements with outcome orientation. Course content & design aligned as per skill needs of industry.
- 3. Inclusive Human Resource Development and Social Justice**
- Plan for endowment rich states in the Eastern parts covering Bihar, Jharkhand, West Bengal, Odisha and Andhra Pradesh for generation of economic opportunities to attain Viksit Bharat. Amritsar Kolkata Industrial Corridor with development of an industrial node at Gaya.
 - Andhra Pradesh Reorganization Act: Financial support of ₹15,000 crores will be arranged in FY 24- 25. Completion of Polavaram Irrigation Project ensuring food security of the nation. Essential infrastructure such as water, power, railways and roads in Kopparthi node on the Vishakhapatnam-Chennai Industrial Corridor and Orvakal node on Hyderabad-Bengaluru Industrial Corridor.
- 4. Manufacturing & Services**
- Credit Guarantee Scheme for MSMEs in the Manufacturing Sector
 - Mudra Loans: The limit enhanced to ₹ 20 lakh from the current ₹ 10 lakh under the 'Tarun' category.
 - New assessment model for MSME credit and Credit Support to MSMEs during Stress Period.
 - Scheme for providing internship opportunities in 500 top companies to 1 crore youth in 5 years. Allowance of ₹5,000 per month along with a one-time assistance of ₹6,000 through the CSR funds.
- 5. Urban Development**
- Encouraging states to lower stamp duties for properties purchased by women.
 - Transit Oriented Development plans for 14 large cities with a population above 30 lakhs.
 - Promote water supply, sewage treatment and solid waste management projects and services for 100 large cities through bankable projects.
- 6. Energy Security**
- Initiatives with private sector in Nuclear Energy: R&D of Bharat Small Modular Reactor and newer technologies for nuclear energy with private partnership.
 - Energy Audit For electricity storage and facilitation of smooth integration of the growing share of renewable energy.
 - Expansion in household solar energy investment through PM Surya Ghar Muft Bijli Yojana.
- 7. Infrastructure**
- Capital expenditure remains the same as interim budget at ₹11,11,111 crore (3.4% of GDP).
 - ₹1.5 lakh crore to states as long-term interest free loans to support resource allocation.
 - Phase IV of PMGSY will be launched to provide all-weather connectivity to 25,000 rural habitations.
- 8. Innovation, Research & Development**
- Operationalization of the Anusandhan National Research Fund for basic research and prototype development.

- Priorities for Viksit Bharat Innovation, Research & Development 08 Private sector-driven research and innovation at commercial scale with a financing pool of ₹1 lakh crore.
- Space Economy: A venture capital fund of ₹1,000 crore is to be set up.

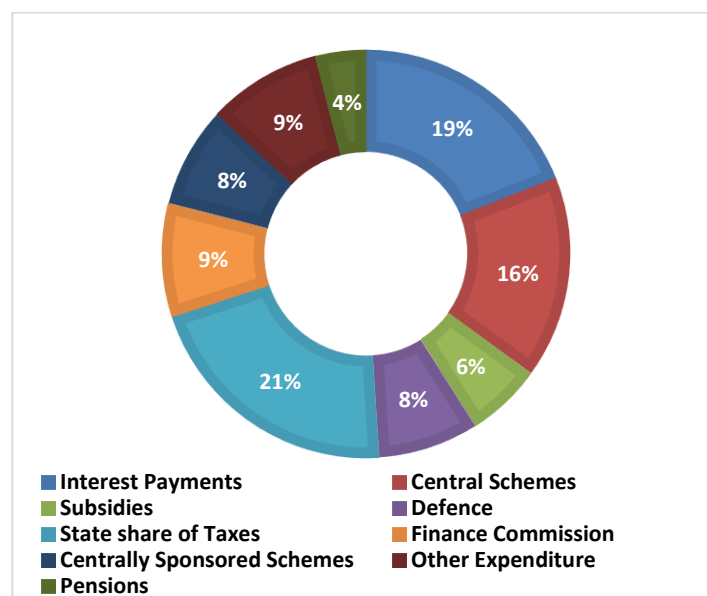
9. Next Generation Reforms

- Taxonomy for climate finance: Enhancing the availability of capital for climate adaptation and mitigation related investments.
- FDI and Overseas Investments: Simplified to facilitate FDIs and promote opportunities for using Indian Rupee as a currency for overseas investments.
- NPS Vatsalya: A plan for contribution by parents and guardians for minors.
- Improvement of data governance, collection, processing and management of data and statistics.

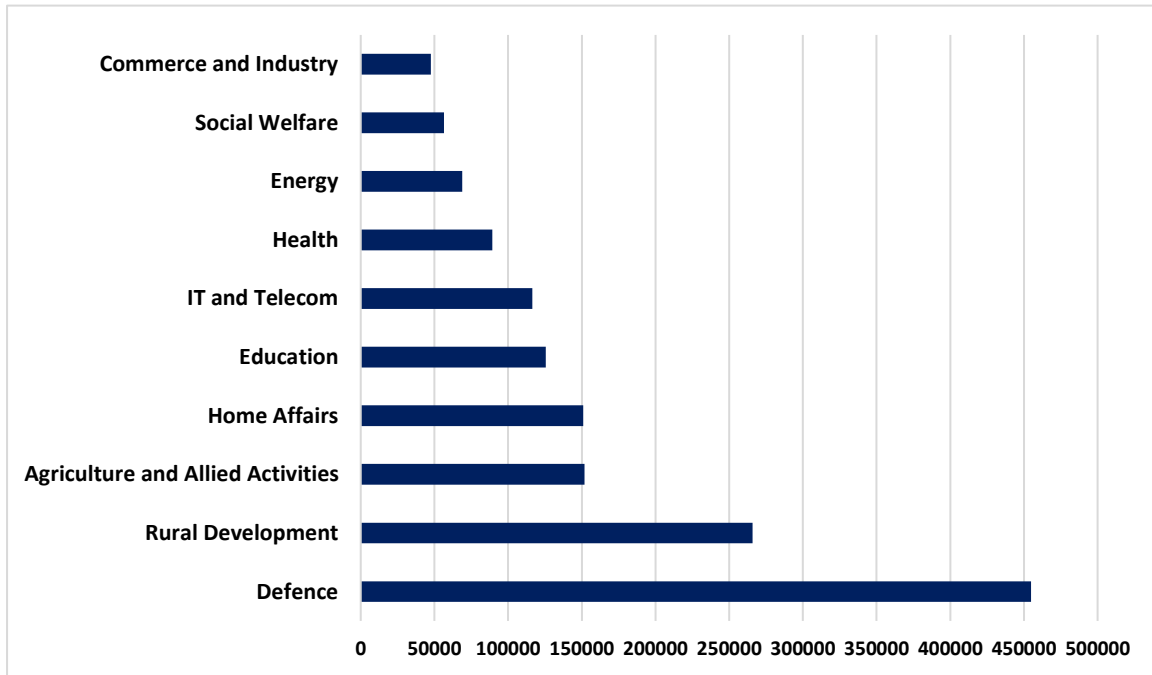
Budget Revenue (in %)



Budget Expenses (in %)



Expenditure to Major sectors (in lakh crores)



Allocation in Major Schemes (in crores)

