



Dipen D Shah & Associates
CHARTERED ACCOUNTANTS



BUDGET

Taxation Highlights of Interim Budget FY 2024

2024

Direct Tax



- 1 No changes relating to direct tax rates
- 2 Disputed direct tax demands to be withdrawn to provide relief to approx. 1 crore taxpayers:
 - Demands upto ₹25,000 for periods up to FY 2009-10
 - Demands upto ₹10,000 for periods from FY 2010-11 to 2014-15
- 3 Timeline for tax benefit available to start-ups, specified IFSC units and specified funds extended to 31 March 2025
- 4 Following retrospective amendments proposed to TCS provisions on foreign remittances (LRS) to align it with clarifications issued vide Press Release dated 28 June 2023:
 - 0.5% above ₹7 lakhs for education loan (nil upto ₹7 lakhs)
 - 5% above ₹7 lakhs for medical purposes (nil upto ₹7 lakhs)
 - 20% above ₹7 lakhs for overseas tour packages (5% upto ₹7 lakhs)
 - 20% above ₹7 lakhs for other purposes (nil upto ₹7 lakhs)
- 5 In a surprising move, the sunset clause not extended for new manufacturing units u/s 115BAB so to avail concessional tax rate of 15%, units will need to commence manufacturing before 31 March 2024

● Indirect Tax



- 1 No change relating to GST rates and custom duties
- 2 It is now mandatory for an office of supplier of goods/services to register as Input Service Distributor in case of services received on behalf of more than one branch of the same entity
- 3 Services liable to GST under reverse charge mechanism are now covered under ISD mechanism
- 4 Penalty of ₹1 lakh per machine for not following registration procedure by persons engaged in manufacturing of certain specified goods. These machines will also be liable to seizure/confiscation



Thank you



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