

HIGHLIGHTS OF WEST BENGAL BUDGET 2013-14 **PROPOSALS AS PER "BUDGET SPEECH" ON 11.03.2013**

I. TAX PROPOSALS

- a. **Vat Rates Increased From 4 To 5%**
- b. **Vat Rates Increased From 13.5 To 14.5%**
- c. **No Change In Entry Tax Rates – 1%**
- d. **Profession Tax Exemption Limit Raised from Rupees 5,000/- to 7,000/-**

(The above changes are applicable w.e.f. 1st April, 2013)

II. TAX REFORMS

- a. **ROUTINE MECHANICAL ASSESSMENTS UNDER VAT/CST ACT TO BE DONE AWAY WITH** assessments upon examination of books of accounts & records of dealers shall be made in very specific cases like defaulters in return or evasion. The dealers being assessed under the CST Act will not be compulsorily assessed under the W.B. VAT Act 2003 in future.
- b. **TATKAL REGISTRATION** proposed by introduction of "Tathkhanik Registration" for dealers.
- c. **WORKS CONTRACTORS & SMALL RESELLERS EXEMPTED FROM PURCHASE TAX**, if annual turnover of sales is below rupees fifty lakhs.
- d. **SIMPLIFIED REGISTRATION FOR SMALL RESELLERS** without proper ownership documents allowed with minimum documentation.
- e. **STOCK REGISTERS NOT REQUIRED** to substantiate Input Tax Credit (ITC) claims
- f. **SELF AUDIT TAX LIMIT RAISED FROM TURNOVER OF RUPEES 3.0 TO 5.0 CRORES;** i.e. dealers with turnover above the ceiling limit of Rupees 5.0 Crores will be required to comply.
- g. **PROFESSION TAX** – System of compulsory assessment to be discontinued; attractive amnesty scheme to be announced for registered employers & persons who have defaulted on payments.
- h. **INDUSTRIAL PROMOTION ASSISTANCE SCHEME FOR MICRO & SMALL ENTERPRISES EXTENDED** for ONE year from 31.03.13 to 31.03.2014
- i. **EXPORTS REFUND SCHEME SIMPLIFIED** by enhancing the scope of pre-assessment refund and introduction of refund through Electronic Clearing System (ECS). Prompt & early refund will be allowed to exporters having a clean track record by introducing a system, assigning "Shatata Star Status" to the dealers on the simple basis of the degree of accuracy of their refund claims submitted in the earlier periods.