
Union Budget- Impact on your business

Posted by Catalyst - 2006/03/01 18:09

Now that the dust has settled... you have heard or read about what Mr. Chidambram had to say.. the time has come to discuss how the budget affects your business. Use this quick link to join this discussion.

We have chartered accountants, tax experts, entrepreneurs and managers who can share their expertise on this discussion forum.

What could be interesting issues to discuss about? Some suggestions...

With the changes in the Service Tax does your Business get affected?

What impact does the Budget have on Bangalore?

How does changes in treatment on Provident Fund investment impact your personal tax planning?

Now that the Fringe Benefit tax is here to stay can this tax actually be used for Tax Planning?

And a lot more that I could not think about.

Here is a link to the Union Budget 06-07:- <http://indiabudget.nic.in/>

Look forward to some interesting conversations.

Balaji

=====

Re:Union Budget- Impact on your business

Posted by anilbindi - 2006/03/02 14:05

Catalyst wrote:

Now that the dust has settled... you have heard or read about what Mr. Chidambram had to say.. the time has come to discuss how the budget affects your business. Use this quick link to join this discussion.

We have chartered accountants, tax experts, entrepreneurs and managers who can share their expertise on this discussion forum.

What could be interesting issues to discuss about? Some suggestions...

With the changes in the Service Tax does your Business get affected?

What impact does the Budget have on Bangalore?

How does changes in treatment on Provident Fund investment impact your personal tax planning?

Now that the Fringe Benefit tax is here to stay can this tax actually be used for Tax Planning?

And a lot more that I could not think about.

Here is a link to the Union Budget 06-07:- <http://indiabudget.nic.in/>

Look forward to some interesting conversations.

Balaji

I wonder when agriculture income gets taxed in india, I mean leave the poor farmers upto 5 lakh gross produce, but rest should come under tax net, I personally believe India is much better than what is projected if the parallel economy which exists merge with the real economy, year on year due to policitcal reasons this is not being attacked though monetary and fiscal polciies are the best in the world. This budget is not bad at all for the large middle class in india. Certainly the net cash at our disposal hs not reduced.

=====

Re:Union Budget- Impact on your business

Posted by bgtaro - 2006/03/19 17:47

Contact: 98450 33890 or tarachand.wanvari@gmail.com

Since one of my businesses is Financial Portfolio Management, and my cleints at present are all individuals, I'll comment from that perspective- though I'd love to have corprate clients too!

From the individual Tax front, there's not been much change, except that five years plus period Bank Deposits

(scheduled banks only) have been brought under section 80C. Note the deposits under Senior Citizens Scheme which give a return of 9% pa, are not, repeat not currently considered under section 80C.

However, with regards to Bank deposit, certain grey areas need to be sorted out - What happens if I deposit Rs.1 Lakh in a scheduled bank for a period of 5 plus years, but need to withdraw money in an emergency after some time-Will I be penalized for an early withdrawal? What will be the treatment in this case? Will the banks force me to lock in the money for 5 years? How does PC expect compliance - this has not been spelt out in detail so far.

From the other investments point of view, dividends from Mutual Fund (MF) Fund of Funds (FOF) schemes have also been exempted from taxation in the individuals hands.

Also PC has played safe and not touched Taxation for various investment products such as the planned EET (Exempt, Exempt Tax)-regime for Life Insurance or for PPF for that matter, so investors can have a sigh of relief for another year or the next twenty or more on the front, if they choose to

I'd like to inform the readers that as per the present rules and laws if one enters into a contract of life insurance today for a period of even a 100 years (an extreme), the rules applicable as on today will also be applicable for the period of 100 years for that contract-so I or my nominees still get the tax treatment as per current laws, and not the laws prevalent at the time of death or maturity of the policy. The relevant rule for individuals is section 10(10D) of the Income tax act.

Contact: 98450 33890 or tarachand.wanvari@gmail.com

=====