

HIGHLIGHTS OF BUDGET 2021

1. No Change Income tax Rates
2. Exemption from filing income tax returns for senior citizens (75 years and above) who only have a pension and interest income. The paying bank will deduct the necessary tax on their income.
3. Reducing time limit for reopening of income tax assessment
4. Income Tax Appellate Tribunal to be made faceless
5. Dividend payment to REIT/InvIT to be exempted from TDS
6. Additional deduction of *1.5 lakh shall be available for loans taken up till 31 March 2022 for purchase of affordable house Pre filling of returns will also cover capital gains from listed securities, dividend income, etc.
7. Relaxations to NRI: Propose to notify rules for removing hardship for double taxation.

For Information Income Tax Slabs:

New Regime (without tax savings and exemptions)

Income Bracket (lakh)	Below 2.5	2.5-5	5 - 7.5	7.5-10	10-12.5	12.5-15	Above 15
Tax Rate (per cent)	Exempt	5	10	15	20	25	30

Old Regime (With Tax savings and Exemptions)

Income Bracket (lakh)	Below 2.5	2.5-5	5 -10	Above 10
Tax Rate (per cent)	Exempt	5	20	30

Source & Courtesy: www.indiabudget.gov.in & Income tax web site