
**HIGHLIGHTS OF THE BUDGET SPEECH DATED 18TH MARCH, 2016
BY HONOURABLE MINISTER (FINANCE, PLANNING & FOREST)
SHRI SUDHIR MUNGANTIWAR**

PART-II

- Exemption from Levy of Sugarcane Purchase Tax for the year 2015-16 to the Sugar Factories which export sugar as per Government policy.
- Amnesty scheme for Profession Tax enrollment holder. Tax liability and penalty will be restricted to previous three years.
- Amnesty for tax administered by Sales Tax. For dues upto 31st March, 2005 subject to full tax payment, the interest and penalty shall be waived and for disputed dues from 1st April, 2005 to 31st March, 2012 subject to full tax payment, and 25% interest payment under VAT Act, balance dues will be waived.
- Exemption of VAT on Warping and Sizing of Yarn for promoting the Textile Industry.
- Turnover limit for composition to retailers under the MVAT Act increased from Rs.50 Lakh to Rs. 1 Crore.
- VAT on the Mammography machines used for detection of breast cancers exempted.
- VAT on sterile water for injections reduced from 12.5% to 5.5%.
- Bakery Industry, the turnover of tax free goods is excluded for computing the turnover for composition.
- VAT on Retrofit kit fitted to vehicles for physically handicapped exempted.
- VAT on LED Tubes reduced from 12.5% to 5.5%.
- VAT on Pyrolysis Oil reduced from 12.5% to 5.5%.
- Profession Tax exemption to the armed personnel of CRPF and BSF.

- Exemption from late fee to the Government aided educational institution for e-filing of Professional Tax returns.
- VAT on Steel Wire Mesh, Barbed Wire and Chain links reduced from 12.5% to 5.5%.
- VAT on Pencil Box, Stapler pins, Dusters, Gum and Gum-sticks used by student reduced from 12.5% to 5.5%.
- VAT exempted on the Bamboo Products excluding Bamboo furniture.
- Amnesty scheme under Industrial Policy 2013 for closed and un-revivable units to be implemented afresh.
- Logistic Hubs will be established to promote the Logistic Industry and Levy of CST will be exempted on the interstate sales effected from the Logistic Hubs.
- VAT rate increased from 5% to 5.5%, excluding declared goods.
- Motor Vehicle Tax enhanced on two wheelers and three wheelers owned by individual. Tax to be based on engine capacity - upto 99cc - 8%, 100cc to 299cc – 9%, 300cc and above – 10%. Institutional and Imported Vehicles to be subjected to double the rate of tax.
- The VAT composition tax rate 8% to hotels and restaurants having turnover of sales Rs. 3 Crore and more.
- Levy of Entry Tax on Marble and Granite slabs.
- Increase in Lottery Tax on the draws of Lotteries.
- VAT tax on Coconut hair oil sold in pack upto 500 ml enhanced to 12.5%.
- Establishment of Advance Ruling Authority for speedy disposal of disputed questions under Sales Tax Laws.
- Implementations of SAP based Computer system in Sales Tax Department. Input Tax Ledger to be made available to the tax payer.
- Pilot Project will be started by Sales Tax Department for implementation of Digital Billing system.
