

# New changes in financial year

## NEW FINANCIAL YEAR!! NEW CHALLENGES!! NEW HOPES!!

Unlike earlier financial years, this new financial year, 2018 indeed came up with lot many significant changes which will have a great impact on Indian economy as well as on every lives directly or indirectly. In spite of various changes in budget 2018, following are the highlights of some of the key changes which everyone should be aware of. We hope that these changes will bring the positive results and let's welcome new financial year!!

**Long Term Capital Gains@10%:** After almost a gap of 14 years, the reintroduction of LTCG tax. Investors will have to pay Long Term Capital Gains exceeding Rs. 1 Lakh at the rate of 10% without having the benefit of indexation. However, indexation benefit for computing tax liability on the sale of shares listed after January 31 will be available.

**Applicability of E-way Bill (Inter-State movement):** On transportation of goods worth over Rs 50,000 from one state to another will have to carry an electronic or e-way bill. It was supposed to get implemented from 1st February, 2018, but due to some technical glitches, it was deferred from today it is applicable across the nation.

**Hike in Health & education cess:** Due to increase in health and education cess (from 3% to 4%), taxpayers will pay a bit of more tax.

**For salaried employees:** There is a standard deduction of Rs. 40,000 in lieu of transport allowance and medical reimbursement.

**Corporate Tax @25%:** Those companies whose turnover is up to Rs. 250 crore, will now have to pay corporate tax at the rate of 25%.

**Exemption of interest income for senior citizens:** For senior citizens, exemption of interest income on bank deposits raised to Rs 50,000. For senior and very senior citizens, the tax deduction for critical illness will be Rs 100,000 from April 1, as against the existing limit of Rs 60,000 for senior citizens and Rs 80,000 for very senior citizens.

**Revision in Toll rates:** National Highways Authority of India has revised its toll rates by 5 to 7 per cent.

### Change in price list of various imported items:

Imported items that will become costlier:

Silver, Gold, vegetable juices, fruit juice, footwear, diamonds, imitation jewellery, lamps, smart furniture, mattresses, LCD/LED TV panels, silk fabrics, kites, cigarette & other lighters, candles, edible/vegetable oils, wrist watches, pocket watches, clock.

**Imported items that will become cheaper:**

Raw cashew nuts, solar tempered glass, raw materials, parts or accessories used in making cochlear implants, select capital goods & electronics such as ball screws and linear motion guides.

**Disclaimer:**

The entire contents of this article is solely for information purpose and have been prepared on the basis of relevant provisions and as per the information existing at the time of the preparation. It doesn't constitute professional advice or a formal recommendation. The author has undertaken utmost care to disseminate the true and correct view and doesn't accept liability for any errors or omissions. You are kindly requested to verify & confirm the updates from the genuine sources before acting on any of the information's provided hereinabove.

Source courtesy:[caclubindia.com](http://caclubindia.com)