

## Twitter Thread by Abhishek | ██████████ ██████████



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### Key Highlights from the Union Budget 2021, as presented by the Hon'ble Finance Minister.

#### Direct Taxes -

- **Vivad Se Viswas Scheme Last Date of filing extended to 28th February 2021.**
- **Citizens of age 75 years and above who have only Pension and Interest income – Need not file■**

#### Income Tax Returns

- Re-opening of Assessment to reduced to 3 years from 6 years. Only where evidence of concealment of income of Rs. 50 lakhs or more – re-opening can be made up to 10 years & only with the approval of Pr.CCIT.

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- Reducing Litigation for small taxpayers – Constitution of Faceless Dispute Resolution Panel for people with Total Income up to Rs.50 lakh and disputed income of Rs.10 lakh
- Income Tax Appellate Tribunal to become Faceless – Only electronic communication will be done

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- Relaxation to NRIs – Rules to remove hardship of Double Taxation
- Tax Audit Limit to be increased to Rs.10 crores from Rs.5 crores for those having less than 5% cash transactions
- Dividend Tax- Dividend will be exempt from TDS. Advance tax liability on dividend income

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will arise only after the declaration or payment of the dividend. For Foreign Investors – a lower treaty rate benefit will be given.

- Affordable Housing – Additional Interest deduction (Sec 80EEA) of Rs.1.5 lakhs to be extended for loans taken till 31st March 2022.

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- Affordable Housing Projects – Tax Holiday extended till 31st March 2022.
- Tax Holiday for Capital Gains for Aircraft Leasing Companies and Tax Exemption to Lease paid to Foreign Persons
- Pre-Filing of Returns – Details of Capital Gains, Dividend Income and Interest



income will be pre-filled in the returns

- Relief to Trusts – Charitable trusts running Hospitals and Educational Institutions relief increased from Rs.1 crore to Rs.5 crore.
- Employee contribution not paid by the employer will not be allowed as a deduction.



- Tax holiday for Start-Ups extended to 31st March 2022. Capital Gains exemption on investment in startups also extended to 31st March 2022.

MCA, Companies Act, LLP Act

- Easing Compliance requirements of Small Companies – Threshold increased to Share Capital increased



up to Rs.2 crore and Turnover up to Rs.20 crore will be Small Companies

- Allow One Person Companies (OPC) to grow without any restriction in Share Capital or Turnover. NRIs will be allowed to set-up OPCs. Presence in India of 120 days in a year enough to start an OPC.



- Launching MCA Version 3.0 – E-Scrutiny, E-Adjudication, and Compliance management to be simplified.
- Decriminalisation of LLP Act, 2008
- Tribunals to be rationalized.

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