

Capital gains tax reforms, removing exemptions & deductions likely to be announced in upcoming Budget

The upcoming interim budget could bring in a fresh surprise for taxpayers as the government feels the work has not ended on further simplification of capital gains tax structure, corporate taxes and personal income tax front.

Talking to CNBC-TV18, the Chairman of the Central Board of Direct taxes, Nitin Gupta, said, “We made some changes in the capital gains structure in the Finance Act 2023 and it's an ongoing exercise. Let us see at the stage of preparation of the budget. We will examine it further and take it forward.”

Gupta, when asked to share specifics, however, refused to divulge details, but added, “Yes it has to be an interim budget this time and we can't say anything. It has not come up on the discussion table yet...the budget exercise has just commenced, so we have to see how the matter proceeds further during the budget exercise.”

On the other reforms, he added, “The thrust of the government has been on simplification and you have seen that on the corporate tax side as well as on the individual tax side, we are trying to pursue the exemption-free and deduction-free regime. That thrust is continuing.”

“That is one area where the work is an ongoing exercise. We get a lot of inputs at the budget stage. We deliberate and discuss them. I will request the stakeholders to send us the suggestions and viewpoints leading to simplification and improvement and generating overall efficiency so let us see this at the budget discussion stage,” Gupta added.

(Source: cnbctv18.com)