

## **Govt against high taxation; both pro-business, pro-poor: Jaitley**

Union finance minister Arun Jaitley on Saturday said the Narendra Modi government does not believe in a high taxation regime but is being pro-business and pro-poor at the same time.

Addressing a BJP function here, Jaitley said there is nothing wrong in being "pro-business" as the country wants investments for better economic growth which in turn will lead to job creation and higher revenue for the government.

"Unless government gets revenue, it cannot build infrastructure and service the welfare schemes for the poor. By being pro-business and pro-poor, I am not contradicting but both have to exist at the same time," Jaitley said.

On retrospective taxation which the past government had brought in thus spooking investors, Jaitley said the imposition of the retrospective tax created a negative sentiment about the country.

"If your taxation policy is so fragile then there is no authenticity to your economic and tax policies. The UPA government had pushed the country to this situation," he said, adding that the present dispensation is not a "high taxation government".

Jaitley blamed the high inflation for the low savings rate.

"Last year, during the UPA regime, the savings rate declined to 30 per cent from 33 per cent. There is a need to incentivise savings which get converted into higher investments," he said without offering specifics.

Welcoming the Prime Minister's announcement yesterday to replace the Planning Commission with a new institution, Jaitley said, "We do not need a command structure where things would be decided by the government sitting in New Delhi. Every state should have the right to decide on how it can take benefit from the country's resources."

*(Times of India)*