

UP slashes VAT on cigarettes to 25%

Giving relief to smokers, Uttar Pradesh government today slashed VAT on cigarette/cigar from existing 50 per cent to 25 per cent, official sources said here.

The decision was taken at the cabinet meeting chaired by Chief Minister Akhilesh Yadav.

For reducing the VAT, cigarette/cigar have been put in schedule four of the UP Value Added Tax (VAT) Act 2008.

The schedule four is for the non-VAT goods category and it empowers government to increase/decrease the rate of tax higher than the uniform tax imposed on other products falling under VAT goods category.

The state government had last year increased VAT on cigarette/cigar and tobacco products from 12.5 per cent to 50 per cent.

Besides, the state government has also reduced entry tax on iron and steel from five per cent to one per cent and also approved UP VAT (fourth amendment) regulation -2013, they said.

The VAT on candy prepared from raw sugar has been removed by the cabinet while approval has been given for stamp relaxation to retired army men for purchasing residential properties.

In a bid to attract industrial investments, Udyog Bandhu has been made nodal agency while for conducting various special works by UP power corporation, government share has also been fixed in the meet.

The cabinet also approved personal accident insurance scheme for registered traders, they said adding that for this the New India Insurance company limited has already been provided Rs 4.31 crore

(Economic Times)