



SGC Services Pvt Ltd.

**Budget
2018-19**

February 2

2018

As Introduced In Lok Sabha By Arun Jaitley, Minister of Finance on February 1, 2018

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Key Changes Budget 2018-2019

(Only considered main changes for Payroll Management)

- Unchanged tax slabs for financial year 2018-19,

INCOME TAX SLABS & RATES FOR FINANCIAL YEAR 2018-2019			
Income Slabs	General (Below 60 Years)	Senior Citizens (60 to 80 Years)	Very Senior Citizens (Above 80 Years)
Income up to 2,50,000	-	-	-
Income 2,50,001 to 3,00,000	5%	-	-
Income 3,00,001 to 5,00,000	5%	5%	-
Income 5,00,001 to 10,00,000	20%	20%	20%
Income Above from 10,00,000	30%	30%	30%

- **Surcharge:**
 - 10% surcharge on income tax if taxable income exceeds 50 Lakhs but below Rs 1 crore.
 - 15% surcharge on income tax if taxable income is over and above Rs 1 crore.
- Health and education cess has been increased to 4 per cent,
- Unchanged Investment deduction limit under section 80C,
- Standard deduction of Rs 40,000 for salaried employees in lieu of transport allowance (1600 per month, 19200 annual) and medical expenses (1250 per month, 15000 annual),
- For senior citizens, exemption u/s 80TTB of interest income on bank deposits raised to Rs 50,000.00 from current 10,000,
- 80D maximum deduction limit raised to Rs 50,000 to senior citizens for investment in health insurance premium from current 30,000,
- 80DDB Medical expenditure in respect of certain critical illness from Rs. 60,000/- in case of senior citizens and from Rs. 80,000/- in case of very senior citizens, to Rs. 1 lakh in respect of all senior citizens.
- Government to contribute 12 per cent of EPF contribution for new employees in all sectors,
- Government makes PAN mandatory for any entity entering into a financial transaction of Rs 2.5 lakh or more.