



GOVERNMENT OF GUJARAT

BUDGET

(2024-25)

SPEECH

OF

SHRI KANUBHAI DESAI

MINISTER OF FINANCE

(PART-B)



विठ्ठलभाई पटेल भवन



ગુજરાત વિધાનસભા

GUJARAT LEGISLATIVE ASSEMBLY

2nd February, 2024

Hon'ble Speaker Sir,

As per the Budget estimates, the overall surplus for the year 2024-25 will be ₹900.72 Crore.

Now, I present the tax proposals for the year 2024-25.

To overcome the adverse impact of the Covid pandemic, the Government of India had announced the *Aatma Nirbhar Bharat* package. In line with this package, the State Government had also announced a slew of relief measures for the people. This included the distribution of food at concessional rates to various sections of society in order to ensure food security, relief in the rates of taxes like Stamp Duty, Motor Vehicle Tax, Electricity Duty, VAT on Petrol, Diesel, CNG and PNG.

**Stamp
Duty**

Members of registered cooperative credit societies, availing loans of more than ₹5000 pay a stamp duty of ₹300 for the articles of agreement and ₹300 for surety, totaling ₹600 under prevailing rates. This type of small loan is generally availed by low and middle income group of people for their businesses, employment or for the requirements in inputs for agriculture.

The government has decided to waive this stamp duty in case of members of such registered cooperative credit societies availing loans up to a limit of ₹50 thousand. This decision will extend a relief of approximately ₹54 crores to around 9 lakh members. Any increase in the purchasing power of our lower and middle income groups will serve to increase aggregate demand and boost economic activity and employment thereby leading to the realisation of an *Aatma Nirbhar Gujarat*, as part of the Hon'ble Prime Minister's vision of an *Aatma Nirbhar Bharat*.

**Motor
Vehicle
Tax**

The vehicle scrapping policy was announced in the year 2021 by the Hon'ble Prime Minister with a view to creating a strong ecosystem for a circular economy with green growth. The main objective was to prevent the damage caused to the environment due to vehicular pollution, reduce road accidents due to vehicle defects and encourage people to buy more fuel efficient and environment friendly vehicles. In order to achieve this objective I announce an amnesty scheme for one year to waive off all liabilities of Motor Vehicle Tax, interest, penalty and any challans under Motor Vehicle Act due on such vehicles, including outstanding compounding fees on condition that, vehicle owners within the recurring tax structure pass on their more than 8 years old vehicles for scrapping.

This decision will provide tax relief of around ₹700 crores to approximately 52,000 vehicle owners. This will also incentivise such vehicle owners to buy new more environment friendly vehicles and will contribute to an increase in the tax revenue of the government.

The Taxation Laws Amendment Act Gujarat has become a popular destination for foreign investors, industry and trade. One of the reasons for this is the state government's attractive industrial policies and the state's commitment towards ensuring ease of doing business. One of the recent initiatives to ensure ease of doing business is the introduction and implementation of the Taxation Laws Amendment Act, 2023 which has reduced the rate of penal interest in cases of default in the payment of tax on time.

GST Seva Kendra **Hon'ble Speaker Sir,**
The historic tax reform of GST has resulted in realisation of the dream of *One Nation, One Tax, One Market* of Hon'ble Prime Minister Shri Narendra Modi.

A system of GST Seva Kendras has been introduced in Gujarat to make GST registration process easier and faster for the taxpayers. 12 GST Seva Kendras have been dedicated to the nation and made operational with the support of central GST authorities. The inauguration of these was done at Vapi, Gujarat. This measure will also facilitate genuine taxpayers and prevent people from resorting to impersonation by using false documents to obtain registration. This initiative of Gujarat has proven to be a role model for other states to follow.

Through its various initiatives, the Government of Gujarat is working hard to achieve new landmarks in the realisation of the Hon'ble Prime Minister's vision of an *Aatma Nirbhar Bharat*.

I propose no change in the existing tax rates and no new taxes are proposed to be levied in this budget to further accelerate growth of the state.

Conclusion **The final position for the budget estimates for the year 2024–25 will be as follows :**

		(₹ In crores)
(1)	Surplus as per Budget estimates	(+) 900.72
(2)	Proposed increase in Taxes	(+) 00.00
(3)	Proposed relief in Taxes	(-) 754.00
(4)	Estimated overall Surplus	(+) 146.72

Hon'ble Speaker Sir,

As I stated in part-A of my budget speech, these announcements are part of our efforts to realise the dream of *Viksit Bharat@2047* through development of *Viksit Gujarat@2047* by accelerating the development process with focus on the five pillars of development. We continue to dedicate ourselves to the overall welfare and development of every citizen of Gujarat.

At the beginning of this period of *Amrit Kaal* when every proud Gujarati has resolved to contribute to national development, I extend my best wishes and congratulate each and every citizen of Gujarat through the medium of this eminent house.

Jay Jay Garvi Gujarat,

I lay the Budget before this august House for consideration.

