

Mukherjee hails substantial increase in direct tax base

Finance Minister Pranab Mukherjee has said India's direct tax base vis-a-vis the country's overall economy has increased to whopping rupees five trillion.

"I can say it today, that 60 percent of our taxes are coming from the direct taxes. Please remember, our direct tax base is no longer few hundred crores (few billions) of the earlier years, but it is five lakh crores (five trillion), which I have projected in the revised budget estimate for the year," Mukherjee told this on the sidelines of a function here.

His comments came soon after the Central Government announced its plans to roll out a long-awaited direct tax code(DTC) aimed at simplifying archaic tax laws from next year.

The DTC will replace the Income Tax Act and would bring about many changes in personal and corporate taxation.

It intends to cut tax rates to bring more people and companies under the tax net, phase out profit-linked exemptions for companies and replace them with investment-linked incentives. (ANI)