

Union Budget 2025-2026

The Indian Union Budget for 2025–26, presented by Finance Minister Nirmala Sitharaman, emphasizes inclusive growth, tax reforms, and strategic investments to propel India toward its 'Viksit Bharat' vision. Below are the key highlights:

Taxation & Middle-Class Relief

- **Zero Income Tax up to ₹12 Lakh:** Under the new tax regime, individuals earning up to ₹12 lakh annually are exempt from income tax.
 - **TDS and TCS Rationalization:**
 - The limit for tax deduction on interest for senior citizens has been doubled from ₹50,000 to ₹1 lakh.
 - The annual limit for TDS on rent increased from ₹2.40 lakh to ₹6 lakh.
 - The threshold to collect tax at source (TCS) on remittances under RBI's Liberalized Remittance Scheme (LRS) increased from ₹7 lakh to ₹10 lakh.
 - **New Income Tax Bill:** Introduced to simplify the tax regime and reduce compliance burdens.
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Agriculture & Rural Development

- **Prime Minister Dhan-Dhaanya Krishi Yojana:** Launched to enhance agricultural productivity.
 - **Enhanced Credit through Kisan Credit Card (KCC):** Facilitates short-term loans up to ₹5 lakh for 7.7 crore farmers, fishermen, and dairy farmers.
 - **Pulses Mission:** A six-year initiative focusing on Tur, Urad, and Masoor to reduce import dependency.
 - **Establishment of Makhana Board in Bihar:** Aimed at promoting Makhana cultivation and processing.
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Infrastructure & Capital Expenditure

- **Total Expenditure:** Estimated at ₹50.65 lakh crore, marking a 7.4% increase over the revised estimate of 2024–25.
 - **Defense Allocation:** ₹6.81 lakh crore allocated, focusing on self-reliance and modernization.
 - **Urban Development:** Significant loans provided to states for infrastructure development and urban challenges.
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Innovation, Technology & Education

- **Research, Development & Innovation:** An allocation of ₹20,000 crore to implement a private sector-driven initiative.
 - **PM Research Fellowship:** Provision of 10,000 fellowships for technological research in IITs and IISc.
 - **AI and Deep Tech:** Enhanced funding for the India AI mission, establishment of an AI Centre of Excellence for Education, and a Deep Tech Fund to fuel innovation.
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Manufacturing & Export Promotion

- **Make in India Incentives:**
 - Exemptions granted for open cells used in LED/LCD TVs, looms for textiles, and capital goods for lithium-ion batteries used in mobile phones and electric vehicles.
 - 10-year exemption on goods used for shipbuilding and ship breaking.
 - Duty-free inputs for handicraft and leather sectors.
 - **Trade Facilitation:** Amendments to Import General Customs Rules (IGCR) to extend the time limit to one year and allow for quarterly statements instead of monthly ones.
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Social Welfare & Inclusion

- **Gig Economy Support:** Issuance of identity cards to gig workers, enhancing their access to healthcare and welfare.
 - **Healthcare Access:** Improved access to lifesaving medicines and comprehensive healthcare initiatives.
 - **Education and Skilling:** Allocation of ₹1.48 lakh crore towards education, employment, and skill development.
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Fiscal Outlook

- **Nominal GDP Growth Target:** Set at 10.1%.
 - **Fiscal Deficit:** Aimed to reduce to 4.4% of GDP.
 - **Gross Borrowings:** Planned at ₹14.82 trillion.
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For a comprehensive overview, you can access the official budget documents here:

[India Budget 2025–26.](#)