

# BUDGET FOR THE FY 2075/76

## MAJOR HIGHLIGHTS

<b>Budget Presented By:</b>	Dr. Yuvraj Khatiwada
<b>Budget Presented On:</b>	29th of May, 2018, Tuesday
<b>Budget Size:</b>	NRs 13 Kharba 15 arba
<b>Revenue:</b>	NRs 8 kharba
<b>Foreign Loan:</b>	NRs 2 kharba 2 arba

1. Loan up to Rs 7 lakhs against academic certificate at 5% interest rate
2. Expansion of health insurance throughout the country
3. Senior citizen wards operation in hospitals to be brought into operation.
4. Nepal to be declared fully literate in 2 years.
5. Lunch to be provided to student's up to 5th grade in districts with low living standard.
6. Technical level education in all local levels.
7. Allocation of NRs 1 kharba 34 arba in Science and Technology related education.
8. Availability of air-ambulance in inaccessible places for emergency delivery of pregnant women.
9. Establishment of at least one Old-age home in each province.
10. NRs 1 arba 88 crore 12 lakh budget for welfare of women and children.
11. Health insurance worth upto 1 lakh for senior citizen above 70 years age.
12. Construction of model agricultural farm in all 7 provinces.
13. Loan taken by farmer from Sana Kisan Sahakari to be waived.
14. Digitization of land ownership certificate within 2 years.
15. Buying and selling of land and building only with the approval from government.
16. Citizenship certificate to be provided to poor families from 26 districts. Others within 2 years.
17. Old age allowance remains same.
18. Focus on cleanliness of Sagarmatha and surrounding mountains.
19. Initiatives to be taken to decrease air pollution in Kathmandu valley.
20. 16 arba budget allocated for forestry and environment.
21. Allocation of necessary budget for Iron Mining.
22. Establishment of at least one industrial area in each province in collaboration with private sector.
23. Easing the process for registration of businesses.
24. Sale and exhibition center of handicrafts to be established in Kathmandu.
25. Upto 5% export subsidy to industrial products.
26. Fair price shop to be opened at all local level bodies.
27. 10 arba budget for Industry, commerce and supplies.
28. Visit Nepal 2020 to be operationalized.
29. Identification and promotion of 100 tourism destination.
30. Easing local hotels and tourism infrastructure development.
31. Helipad construction in all local levels.

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32. NRs 19 arba budget allocated for Airlines sector.
33. Construction of Ranipokhari and Dharahara in coming 3 years.
34. National cleanliness campaign to be operationalized in coming year.
35. Smart restroom in public places.
36. 10 arba Budget allocated for Bheri, Babbai, Rani, Jamara irrigation
37. 2075/85 to celebrate as the energy decade.
38. Starting 3000 MW project from the investment of general public
39. Electricity regulatory body to be formed
40. NRs 83 arba 89 crore budget allocated for energy sector.
41. Shelters to be provided for slums.
42. Budget separated for constructing parliament house.
43. Making Bagmati, Bishnumati and Rudramati sewage free.
44. 2 arba 4 crore budget allocated for sports.
45. Business checkpoint in each province.
46. 53 crore budget for road infrastructure in local levels connected to Southern border
47. Tax to be levied upon use of road
48. Feasibility study of Monorail in Kathmandu
49. 5 arba budget for roads
50. Necessary budget to be allocated for earthquake rehabilitation and reconstruction
51. 4 crore for each electoral district
52. Unification of Radio Nepal and Nepal Television
53. Subsidy for Journalist accident insurance
54. Implementation of box office system in Movies and entertainment sector
55. Extending optical fibers in all local levels
56. License and transport registration to be done from respective provinces.
57. 1 arba budget allocated for transport management
58. Bank accounts for all Nepali within one year
59. Digitization of government services within a year
60. Human rights program to be conducted in every household
61. Continuation of Banker to barrack campaign of Nepal army
62. Employee inflation allowance increased by 2000
63. Allowance for employees and teachers' uniform reached to Rs 10,000
64. No increase in employee's salary
65. Education service fee and health service fee waived
66. VAT on alcohol and tobacco related items increased
67. Tax increment on vehicles and motorcycles
68. Tax free upto 100 gram raw gold brought in by people returning from foreign country
69. Income tax holiday for 5 years for small entrepreneurial business (SME)
70. Rs 25000 insurance paid can be adjusted for individual tax calculation which was previously Rs 20,000
71. Tax increment on cars above 1000 CC and motorcycle above 150 CC
72. Expected economic growth rate at 8% and inflation at 5%
73. Employment opportunities for 5 lakh Nepali in coming year
74. Paschim Seti to be made through National Investment
75. 750 MW project to be constructed with National Investment

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76. Construction of 7 tunnels (Naghdhunga- Naubise, Tokha-Chahare-Gurja Bhanjyang, Khurkot-Chiyabari, Siddhababa, BP nagar-Khutiya-Dipayal, Thankot-Chitlang, Koteswor-Jadibuti)
77. Tax ceiling decreased to 10 lakh on land trading which was 30 lakh previously.
78. VAT refund for mobile telephone importer and manufacturer is withdrawn.
79. Education and health service tax withdrawn.

### **Capital Market**

1. Real sector companies with capital above 1 arba to be mandatorily converted into public and listed in NEPSE
2. Private companies with paid-up capital above 50 crore if converted to public company, will be given 10% income tax discount for 3 years.
3. Capital gains tax increased to 7.50% for individuals, 10% for institutions and 25% for others.
4. No VAT on broker commission

### **Real Estate**

1. Capital gain tax ceiling on real estate is decreased to Rs 10 lakhs from Rs 30 Lakhs

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