

Honourable Speaker Sir,

The overall surplus as per Estimates for the Year 2020-21 will be ₹ 605.43 crores.

I now present the tax proposals for the Year 2020-21.

Electricity Duty

Electricity Duty on Cold Storages

Electricity Duty is levied on the cold storages at the rate of 20 percent at present. Keeping in view the development of agriculture in the State and in the economic interest of farmers, it is felt necessary to give more relief in this matter. Therefore, I propose to reduce the present rate of Electricity Duty by half, from 20 percent to 10 percent.

As a result of this proposal, the tax revenue of the state will be reduced to the extent of approximately ₹3.60 crore per annum, and about 1300 cold storages situated in the State will be benefited.

Electricity Duty on Religious Places

Religious places like temples, mosques, churches, gurudwaras, derasars, agiaris for different religions where pooja, prayer, namaz is performed, and also deri, samadhi, smashangruh, dargah, tomb, kabrastan are levied Electricity Duty at the rate of 25 percent at present.

State Government has been receiving representations from the Saints to reduce this rate of Electricity Duty on religious places. Considering the demand, I propose to reduce the rate of Electricity Duty on the previously referred religious places of different religions from 25 percent to 7.5 percent for rural areas and 15 percent for urban areas.

As a result of this proposal, the tax revenue of the state will be reduced to the extent of approximately ₹5.11 crore per annum, and about 10,500 religious places situated in the State will be benefited.

**Electricity
Duty on
Dharmshalas**

Gujarat has many important temples, which are visited by lakhs of devotees every year from all over the world. Lodging and boarding facilities for such devotees are catered by dharmashalas and most of such dharmashalas are run on service basis. Electricity Duty is levied on the consumption thereof, at the rate of 25 percent at present.

I, therefore, propose reduction in the rate of Electricity Duty on all these dharmashalas, and make it 15 percent for HT connection and 10 percent for LT connection.

As a result of this proposal, the tax revenue of the State will be reduced to the extent of approximately ₹1.45 crore per annum, and about 815 dharmashalas situated in the State will be benefited.

**Electricity
Duty on
Residuary
Category
(including
trade and
commerce
category)**

Lakhs of shopkeepers in the State are engaged in the trades like grocery, cloth, ready-made clothes, medical store, hardware, color, provisional store, cutlery, bakery, stationary, mobile shops, garages etc. Their shops are situated in the stores, shopping centres, malls. Besides, lawyers, chartered accountants, travel agencies, offices of transporters, coaching classes, photo studio, beauty parlour, saloon are providing working for the service sector. These places of business are levied Electricity Duty at the rate of 25 percent at present. I propose to reduce this present rate of Electricity Duty from 25 percent to 20 percent, with a view to give relief to such shop keepers/traders/artisans and all such professionals having offices. This will benefit approximately 30 lakh shop keepers/ traders/ artisans and all such professionals having offices.

As a result of this proposal, the tax revenue of the State will be reduced to the extent of approximately ₹320 crore per annum.

Conclusion

The final position of Budget Estimates for the year 2020-21 will be as under:

	(₹ in crore)
(1) Surplus as per Budget Estimates	(+) 605.43
(2) Proposed decrease in Electricity Duty	(-) 330.16
(3) Estimated overall surplus	(+) 275.27

I commend the Budget for the consideration of this August House.

.....