

(ii) Rankings based on LPI are released biennially. India has been ranked 44 out of 160 countries in the report titled, "Connecting to Compete 2018- Trade Logistics in the Global Economy", released in July, 2018.

The Government has taken note of the above.

#### **Standard deduction for salaried employees**

2916. KUMARI SELJA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any plans to introduce standard deduction for salaried employees with respect to the Income-Tax Act, 1961;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Ministry has received any suggestions regarding standard deduction for salaried employees; and

(d) the details and the share of taxes received from salaried employees in the country out of the entire direct tax collection in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (c) Section 16 of the Income-tax Act, 1961 (the Act), *inter alia*, provides for certain deductions in computing income chargeable under the head "Salaries". Finance Act, 2018 amended Section 16 of the Act to allow a standard deduction up to ₹ 40,000 or the amount of salary received, whichever is less.

(d) Data regarding tax paid by salaried individuals is not separately maintained. Moreover, since "salaried employees" is not a separate category of taxpayer under the Act (as an individual may have income from sources other than salaries also), it is not feasible to compile such information.

#### **Long term capital gains on equity shares**

2917. KUMARI SELJA: Will the Minister of FINANCE be pleased to state:

(a) the details of taxes collected by Government in the form of long term capital gains on equity shares and equity oriented mutual funds since the introduction of the provision; and

(b) whether the levy of Securities Transaction Tax and long term capital gains on the equity shares amounts to double taxation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) The provisions for Long Term Capital Gains (LTCG) on sale of equity shares and equity-based mutual funds have come into effect only from the current financial year. The return of income for Assessment Year 2019-20 corresponding to the current financial year is not yet due to be filed. Therefore, it is not feasible to provide the information as sought.

(b) Levy of both Securities Transaction Tax (STT) and LTCG on the equity shares does not amount to double taxation as the nature of the tax and the base on which it is levied are different. Whereas STT is a transaction-based tax levied on the gross value of the shares or units transacted, regardless of the period of holding of the shares and the element of profit or loss, LTCG is a tax on the income/profit arising from the sale of such shares or units after a defined period of holding.

#### **Policy changes in IRDA**

2918. SHRI T.G. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Insurance Regulatory Development Authority (IRDA) is proposing major policy changes to benefit the insurance policy buyers; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) A Committee on "Review of Product Regulations - Life" was constituted by the Insurance Regulatory and Development Authority of India (IRDAI) on 12th January, 2017.

The Committee submitted its report in the month of December, 2017. The Committee deliberated on several issues pertaining to product regulations and their key recommendations. Based on the recommendations of the Committee, an Exposure Draft was published and the comments thereon have been received.

#### **Reform of financial regulatory architecture**

2919. DR. K.V. P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether crisis at Infrastructure Leasing and Financial Services (IL&FS) is India's near Lehman Moment exposing the weakness in the financial regulatory architecture; and