

**READ – UNDERSTAND – AND PASS/EXPLAIN TO ONE WHO VOTES**

( FOR EVERYONE in easy words )

**Black money generation** is the only obstacle in the right development of your children and area around you. It is the only reason of low standard of living of many , many children not going to school or leaving education in between , low education standards , non availability of quality & prompt treatment in dispensaries, lack of training for job to drop outs, bad habits and lopsided development of youth and high inflation .

Black money generates by not paying due taxes or by paying lower taxes ,. It is not so that all generate it intentionally – but our spoilt and mismanaged tax system is the main culprit. EXCISE, CUSTOM DUTY, VAT, SERVICE TAX, INCOME TAX AND PROPERTY TAX have been imposed for collecting taxes from high income earners with a purpose to spend them for development of country and on the welfare of low income earners. However **the tragedy is that taxes always remain short for welfare of illiterates and poor** and about 70% of population have to survive on hawking, Rickshaw pulling , running pavement shops or like. Many people have to live in dirt by doing petty unorganized jobs and that too with a feeling of fear and thus also spoil atmosphere. The businessmen live in tension due to taxes and uncontrollable funds.

The outburst of black money in cities attract villagers and unemployed youth and thus many parts of our country remain undeveloped. The tax collected and accumulated by increasing penalties/prosecutions or by increasing taxes/tax base is used only for constructing school, college or hospital buildings etc. in the name of implementing welfare schemes but basic needs of low income people – Food, cloth , good education or job training and clean atmosphere remain unattended. Also the Government system has been sabotaged(broken) due to absence of exemplary punishment. Therefore a STRONG AND INDEPENDENT LOKPAL is also a necessary priority for success of any new system.

Therefore the time has come that you people demand from your beloved leader( M.L.A or councilor etc.) that they should understand and recommend the **‘PEOPLE’S LOKPAL BILL’** and **‘NEW TAX REGIME’ as given on back** to the CM/centre **as both of which stops generation of black money.** They are developed in your interest. Your VOTE is valuable. ONLY if you wish you can bring the change. Do not vote just for petty benefits. The independent LOKPAL and new tax scheme will surely improve your standard of living.

**FOR KNOWING ‘WHY JAN LOKPAL BILL’ see site [www.indiaagainstcorruption.com](http://www.indiaagainstcorruption.com).**

**FOR KNOWING ‘WHY this New Tax system & HOW’ see site [www.actionforchange.co.in](http://www.actionforchange.co.in)**

J A I H I N D

## NEW TAX MODEL

A model to collect **only one tax** through small civic centres ( one for say Four wards or Pachayats) from 1<sup>st</sup> April of a year. These civic centres will work for your welfare under a civic services law and will collect tax at following rates by sending a tax bill –

### ITEM

### Yearly tax bill

Car upto 5 lac	Rs. 10,000
Car/vehicle above 5 lac	Rs. 20,000
Truck/canter/ Bus/Tractor etc.	Rs. 30,000
Small Comml. Vehicle/Auto rickshaw	Rs. 10,000
Residential Plot/house	Rs. 450 per sq. yard
Commercial Land/ Building	Rs.900 per Sq. yard
Agricultural Land	Rs. 2,000 per acre
Govt. land/Building	Rs. 90 per sq. yard

### BUSINESS/SERVICE SECTOR

### Monthly Tax Bill

Manufacturing/Mining/Construction	2% of turnover
Wholesale shop	2% of Turnover
Retail Shop	3% of Turnover
Service concern/Individual	3% of Receipts
Exemptions – Residential House- 30 sq. yard, Sale/Receipts- 5 lacs(C.A Certified) , NGOs- Amount spent on charity( C.A certified), Govt. Institution - Only grant amount . SEE WHAT A SIMPLE TAX MODEL CAN BE?	
Big Ships , Planes or like can be provided on lease by centre.	
Foreign transactions/ Securities etc. shall be taxed by centre.	

## EXAMPLE

This example shows how under new model a high income earner will pay a little higher than present tax and their all income will be white. The maximum of all white income will be invested in Government channels and which Civic service centres will spend for fulfilling your basic needs- Education, understanding, cleaning, Food, employment and like.

Mr. X has – 250 sq. yard two floor house, One Scooter, two cars, one 1000 sq. yard factory from where yearly sale is 120 lakhs( 60 lakhs only by bills) in area A. Three Plots of 200 Sq. yard in Area B and a farm House with Building of 600 Sq yards and 2000 acre agricultural land in Area C. After all expenses his taxable income is 5 lac and deductible Govt. savings are Rs. 1 lac.

<u>Tax &amp; Investment</u>	<u>under present system</u>	<u>Under New system</u>
If cost of goods sold is about 80 lacs then		<b>In Area A</b> – on Cars 20,000/-
Excise or Custom @ 15% appx. =	10,42,000	- on two floor house 2,25,000/-
On 60 lac sale suppose profit is		- On Factory aea 9,00,000/-
12 lac on which VAT @12.5 % =	1,50,000	- On 120 lac Sale @2% 2,40,000/-
Service tax on expenses(appx.) =	50,000	<b>In Area B</b> - On plots 2,70,000/-
Income Tax/TDS =	22,000	<b>In Area C</b> - On farm 6,000/-
Appx. Property tax =	<u>50,000</u>	(All agricultural) _____
Total Tax to centre / state	13,14,000	16,61,000
Expenses shown- 15 lacs(Actual 10 lacs)		Factory Exp.- 10 lac, House Hold
Income( 120-80-13.14-10) =	16.86 lacs	Exp.- 5 lacs , Net Income(120-80-
Actual Income after House exp.=	11.86 lacs	16.61-10-5) & probable Investment
The Income shown(5-0.22) =	4.78 lacs only	= 8.39 lacs
Investment =	Rs. 1 lac only	

**THUS YOU WILL FIND THAT BLACK MONEY IS PRODUCED BY SHOWING LESS INCOME** AND GOVT. ALWAYS REMAIN SHORT OF FUNDS. FLOW OF MONEY FROM TOP TO BOTTOM ALSO CREATE APPROVAL & BUDGET PROBLEMS LEADING TO CORRUPTION. THIS NEW TAX REGIME WILL FINISH ALL SUCH PROBLEMS. **CIVIC CENTRES WITH FUNDS WILL BE NEAR TO YOU AND SO WILL SERVE YOU BETTER.** KEEPING A FIXED SUM OUT OF TAXES COLLECTED, THE CIVIC CENTRE WILL SEND SURPLUS TO CENTRAL GOVT. THROUGH STATE GOVT.. ALL WILL BE BENEFITTED.

**MR. X WILL GET** - REMOVAL OF TENSION COME OUT OF BILLED/UNBILLED TRANSACTIONS, WHOLE INCOME WHITE, TAX FREE INCOME FROM ALL INVESTMENTS, CLEAN & UPDATED ATMOSPHERE , DECREASE IN CRIME, ONE WINDOW SERVICE FROM NEARBY GOVT. OFFICE, SIMPLE ACCOUNTS KEEPING ETC. **GOVT. WILL GET** – DEVELOPMENT OF BACKWARD AREAS, EQUAL DISPERSAL OF POPULATION, CONTROL OVER SCHOOL & HOSPITAL ACTIVITIES, STRONG MAINTENANCE & SUPERVISION , TRANSPARENCY POSSIBLE, FREEDOM FROM HANDLING COMPLICATIONS ARISING OUT OF MULTIPLE TAXATION.

FOR MORE DETAILS – SEE SITE - [WWW.actionforchange.co.in](http://WWW.actionforchange.co.in)