

# General Knowledge

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## Union Government introduces Taxation Laws (Second Amendment) Bill

The Union Government has introduced the Taxation Laws (Second Amendment) Bill, 2016 ('the Bill') in the Parliament. The bill amends existing tax laws to impose a higher rate of tax and penalty in respect of undisclosed incomes. It proposes, Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana, 2016 (PMGKY), an anti-poverty scheme. It seeks to attract more people to disclose their unaccounted cash and also to put in a framework in place to use that for the welfare of the people especially in the rural areas. It also ensures that tax defaulting assesseees and black money holders are subjected to tax at a higher rate and stringent penalty provision.

### Key features of Bill

- Mandatory for black money declarants to deposit 25% of amount disclosed in Pradhan Mantri Garibi Kalyan Yojana (PMGKY) 2016 for a 4 year lock-in period without interest.
- Those who choose to declare their ill-gotten wealth stashed till now in banned Rs. 1,000 and Rs. 500 currency notes under the PMGKY scheme will have to pay a tax at the rate of 30% of the undisclosed income.
- Additionally, 10% penalty will be levied on the undisclosed income and PMGK Cess (surcharge) at the rate of 33% of tax (33% of 30%).
- Further, the declarants will have to deposit 25% of the undisclosed income in a scheme to be notified by the government in consultation with the Reserve Bank of India (RBI).
- The money from PMGK will be used for projects in irrigation, infrastructure, primary education, primary health, housing, toilets and livelihood so that there is justice and equality.
- For those who continue to hold onto undisclosed cash and are caught they will be levied with flat 60% tax plus a surcharge of 25% of tax (15%), which will amount a levy of 75%.
- Besides, if the assessing officer can charge a 10% penalty in addition to the 75% tax.

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## **Cuba's former President Fidel Castro passes away**

Cuba's former president and leader of the Communist revolution Fidel Castro passed away due to old age. He was 90. He was commander in chief of the 1959 Cuban revolution and had successfully built a communist state on the doorstep of the United States during Cold War. He had ruled Cuba as a one-party state for almost half a century (from 1976 to 2008) before handing over the powers to his brother Raul Castro in 2008 due to ill health.

### **About Fidel Castro**

- He was born as Fidel Alejandro Castro Ruz on August 13, 1926 in Birán, Holguin Province, Cuba.
- In 1953, he was imprisoned after leading an unsuccessful rising against Batista's regime. However was released in 1955 from prison under an amnesty deal.
- In 1956, Castro along with Che Guevara started a guerrilla war against the Cuban government led by US-backed dictator Fulgencio Batista.
- In 1959, he overthrew dictator Fulgencio Batista Government in through Communist revolution. He was sworn in as prime minister and was in office from 1959 to 1976.
- In 1960, he successfully fought off CIA-sponsored Bay of Pigs invasion by Cuban exiles. He also defied many attempts even assassination attempts of US to topple him from power.
- In 1962, under his leadership Cuba allowed USSR can deploy nuclear missiles on its territory which had resulted into Cuban missile crisis.
- Under his leadership, Cuba became a one-party communist state, industry and business were nationalized and state socialist reforms implemented throughout society.
- His greatest legacy is free healthcare and education, which have given Cuba some of the region's best human development statistics.
- In 2008, he stepped down as President of Cuba due to health issues. He was in office from 1976 to 2008. He world's third longest-serving head of state, after Britain's Queen Elizabeth and the King of Thailand.