

	<p>Government of India are ex-officio Trustees of the Fund.</p> <ul style="list-style-type: none"> The Chairperson of the Board of Trustees (Prime Minister) shall have the power to nominate three trustees to the Board of Trustees who shall be eminent persons in the field of research, health, science, social work, law, public administration and philanthropy. Any person appointed a Trustee shall act in a pro bono capacity. 	<p>Agriculture and Farmer Welfare monitors relief activities for calamities associated with drought, hailstorms, pest attacks and cold wave/frost while rest of the natural calamities are monitored by the Ministry of Home Affairs (MHA).</p>
Contributions to the Fund	<ul style="list-style-type: none"> Consists entirely of voluntary contributions. Exempt under the FCRA so it can accept donations and contributions from individuals and organizations based in foreign countries. 	<ul style="list-style-type: none"> It is financed through the levy of a cess on certain items, chargeable to excise and customs duty, and approved annually through the Finance Bill.
Audit	The Fund will be audited by independent auditors who will be appointed by the trustees.	Comptroller and Auditor General (CAG) audits the accounts of NDRF.

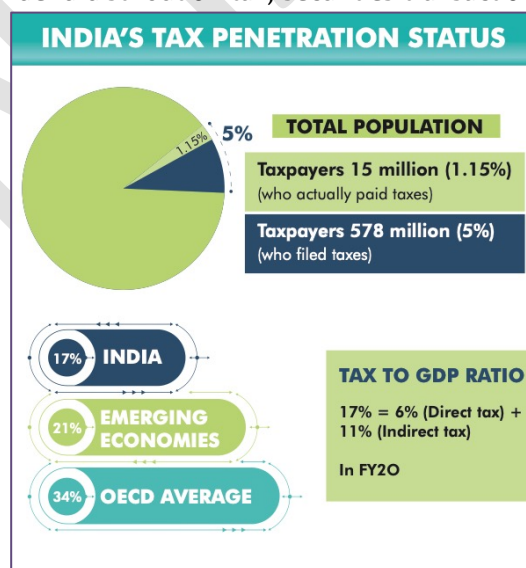
1.4. DIRECT TAXES

Introduction

- It is the tax where the **incidence and impact of taxation fall on the same entity**.
 - In simple words, a direct tax is a tax that you directly pay to the authority imposing the tax.
- It is termed as a **progressive tax** because the proportion of tax liability rises as an individual or entity's income increases.
- It is of various types such as** income tax, corporate tax, dividend distribution tax, securities transaction tax, fringe benefit tax and wealth tax.

Need for Direct Tax reforms

- Rationalization and simplification of Income Tax Structure** by revisiting tax slabs.
- Simplify corporate tax rate structure and phase out exemptions** as there is loss of revenue due to large number of exemptions.
- Widen tax base** by revising tax rates and decreasing the complexity in Direct Tax systems.
- Reducing tax litigations** by addressing the tendency of tax officials to initiate an action without the necessary justification or assessment.
- Need of Technology infusion** in the tax administration to improve efficiency of tax collection as well as to aid the taxpayer.
- Creating better sync with global economy** by gradually phasing out the differential treatment of foreign and domestic companies in the country.



Steps taken to improve direct tax ecosystem previously

- Personal Income Tax:** Finance Act, 2020 has provided an option to individuals and co-operatives for paying income-tax at concessional rates if they do not avail specified exemption and incentive.
- Abolition of Dividend Distribution Tax (DDT):** In order to increase the attractiveness of the Indian Equity Market and to provide relief to a large class of investors companies who are not required to pay DDT.
- Vivad se Vishwas:** To provide for resolution of pending tax disputes which will not only benefit the Government by generating timely revenue but also the taxpayers as it will bring down mounting litigation costs.
- Simplification of compliance norms for Start-ups:** Start-ups have been provided hassle-free tax environment which includes simplification of assessment procedure, **exemptions from Angel-tax**, constitution of dedicated start-up cell etc.
- Raising of monetary limit for filing of appeal:** To effectively reduce taxpayer grievances/ litigation monetary thresholds for filing appeals have been raised from-
 - Rs. 20 lakh to Rs. 50 lakh** for appeal before **Income Tax Appellate Tribunal**
 - Rs. 50 lakh to Rs. 1 crore** for appeal before the **High Court**
 - Rs. 1 crore to Rs. 2 crore** for appeal before the **Supreme Court**.