

## **The govt needs to expedite the implementation of ongoing programmes and increase investments: KPMG in India**

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*"The government should undertake both health infrastructure strengthening at mission mode approach and implement robust surveillance mechanisms to fight a future pandemic. Going forward, with the entrant of the third wave, the government needs to expedite the implementation of ongoing programmes and increase the investments by focusing on the following key areas in the Union Budget 2022-2023:*

*Top asks for the Indian healthcare Sector could be:*

1. **Increase the public health spending** this year by a minimum of 33 per cent in the existing schemes to achieve the targeted 2.5-3.0 per cent of GDP by 2024-25.
2. **Healthcare Coverage for Every Citizen under the AB-PMJAY scheme** to ensure approximately 40 crores uncovered population have some financial protection for health.
3. Inputs procured by the healthcare establishments in the form of goods, services and capital goods bear a GST duty burden, but these embedded taxes could not be set off against the output tax liability establishing a need for **rationalising the GST in the healthcare sector**
4. **Increase health checkup deduction in income tax deduction to Rs 25,000 for a family** to encourage citizens towards preventive health checkups
5. **Tax relief by extending 100 per cent tax deduction assistance on capital expenditure** under Section 35AD to 50 bedded hospitals from the existing limit of 100 beds to promote the creation of healthcare infrastructure in Tier II and III cities.”