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Tax Trends

Top Tax News This
Week

GST Council's likely agenda: Intermediaries may get exporter status

The upcoming 56th Goods and Services Tax (GST) Council meeting may approve a proposal reclassifying intermediaries including brokers, agents, and digital platforms as exporters, granting their services a zero-rated status, said a senior government official.

The move is aimed at alleviating an 18 per cent GST burden on such entities. The issue is likely to be taken up for final approval after the Law Committee's nod, paving the way for significant financial relief to such firms.

Right now, even if these services are provided to clients outside India, they are taxed because the law considers the place of supply as India.





GST Rate Rationalisation: 12% Slab May Be Eliminated

The GST Council is actively considering a proposal to eliminate the 12% GST slab as part of a broader rate rationalisation strategy aimed at simplifying the tax structure. If implemented, goods and services currently taxed at 12% would be shifted either to the 5% or 18% tax brackets.

The proposal has received near-unanimous support from the Group of Ministers (GoM) and revenue officials, who believe that such a move will enhance clarity and compliance without significantly impacting revenue collections.

Income tax refund status FY 2024-25: Check without logging into I-T dept's e-filing portal

When it comes to checking the income tax refund status for FY 2024-25 (AY 2025-26), most taxpayers immediately log into the official Income Tax Department website. While that's the most common method, it's not the only way to track your refund. In fact, there are two other quick and convenient alternatives that many taxpayers are unaware of.

Taxpayers can check their refund status via the NSDL portal without logging into the Income Tax portal—just enter PAN, select the assessment year, and fill the captcha to view the status instantly.

Alternatively, detailed refund and tax credit info is available in Form 26AS on the TRACES portal. For this, users must log in to the Income Tax portal, navigate to 'e-File' > 'Income Tax Returns' > 'View Form 26AS', and select the relevant year.





Tax Scan

Extended Limitation Not Invocable When Service Tax Demand is Based Solely on Income Tax Disclosures: CESTAT Delhi

The New Delhi Bench of the Customs, Excise, and Service Tax Appellate Tribunal (CESTAT) ruled that the extended period of limitation under Section 73 of the Finance Act, 1994, cannot be used when the case is based only on information already shared in the assessee's income tax returns and financial records.

The bench, led by Judicial Member Binu Tamta, observed that the appellant had already shared all the financial details in his tax returns and balance sheet, and these records were used by the department itself to make the case. The tribunal observed there was no proof that the appellant had tried to hide anything. Referring to earlier tribunal decisions such as *Kamal Lalwani*, *Balaji Industrial Products Ltd.*, and *Antares Services Pvt. Ltd.*, the bench said that if everything is already shown in tax records, the department cannot say there was suppression just to apply the extended limitation period.

Government Halves Import Duty on Crude Edible Oils to Curb Inflation

The government of India has announced a significant reduction in the basic customs duty on key edible oils, lowering it from 20% to 10%. This revision applies to crude palm oil, crude soybean oil, and crude sunflower oil, and is set to remain effective for a period of one year.

The decision aims to address the rising cost of food items by making edible oils more affordable in the domestic market. Cooking oil prices have been a major contributor to food inflation, and this step is expected to directly impact household budgets and retail pricing.

By reducing the import cost, the government intends to increase supply, stabilize prices, and reduce inflationary pressures in essential commodities. This policy move is part of broader efforts to ensure food security and economic stability amid global commodity fluctuations.



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