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## Tax Trends

Top Tax News This  
Week

## Month-long 'GST Bachat Utsav' from September 22

The Union government will launch a month-long 'GST Bachat Utsav' from September 22 to October 21, 2025, following GST rate cuts recommended by the GST Council in its 56th meeting. The initiative, finalized during a meeting chaired by Cabinet Secretary T V Somanathan, aims to highlight consumer savings from GST reforms. The Ministry of Animal Husbandry has directed officials to ensure that industries pass on the benefits of tax reductions on value-added dairy and poultry products, labeling them as 'GST Bachat packs'. Simultaneously, the Ministry of Consumer Affairs has permitted revised retail prices to be declared on unsold stock, while retaining the original MRP on packaging. A 100-day outreach campaign will also be launched to raise awareness about the new reforms.





## Govt clears MRP fixes for unsold FMCG inventory after GST rate change

Following the recent GST rate cuts on various FMCG products from 12% or 18% down to 5%, the Centre has allowed manufacturers, packers, and importers to revise the maximum retail price (MRP) on unsold pre-packaged stock until December 31, 2025, or until old inventories are cleared, whichever is earlier. Companies may update prices using stickers, stamping, or online printing, but the original MRP must remain visible and unaltered. The revised price must reflect only the tax-related change due to GST reforms. To ensure transparency, firms are required to publish at least two newspaper advertisements and notify relevant legal metrology authorities and dealers. Additionally, packaging materials printed with the old MRP may still be used until year-end, provided the updated price is clearly indicated.

## GST on insurance premium: Why you may not get full benefit of GST reduction by 18% unless there's clarity on exemption vs nil-rated

Finance Minister Nirmala Sitharaman's announcement of reducing GST on individual health and life insurance premiums from 18% to zero, effective September 22, 2025, brought relief to policyholders but with some confusion. The key issue is whether these premiums are now "nil-rated" or "exempt" from GST. While both mean no GST for policyholders, only nil-rated services allow insurers to claim input tax credit (ITC), potentially reducing costs and premiums further. A press note mentioned a move to "Nil," but the official PIB release described it as an exemption, leaving insurers unsure about passing the full benefit to customers.





## ITR filing: Why CAs are seeking extension of September 15 deadline

With the September 15 Income Tax Return (ITR) filing deadline fast approaching, tax professionals across India are under growing stress due to technical glitches, delayed release of forms, and recent natural disasters. Trade bodies like the FKCCI and CAAS have urged the Central Board of Direct Taxes (CBDT) to extend the deadline, citing major disruptions in compliance work. CAAS particularly criticised the late rollout of key ITR utilities and argued that auditors were left with just over 40 days to complete complex filings. Highlighting floods, power outages, and holiday pressures, the group has called for “time compensation” instead of a simple extension. The Income Tax Department has yet to respond.

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