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Tax Trends

Top Tax News This
Week

CBDT issues new rules for income tax refund corrections

The Central Board of Direct Taxes (CBDT) has issued new rules to streamline the correction of income tax refund errors. The move empowers CPC Bengaluru to rectify mistakes in tax computation, prepaid credits, and refund calculations under Section 154 of the Income Tax Act. This means that if a taxpayer's refund has been wrongly computed or delayed due to clerical or record-based errors, the authorities can directly correct it and issue the revised refund or demand notice.





Sale of immovable property outside scope of service tax: Supreme Court

The Supreme Court on Tuesday ruled that the sale of immovable property, by itself, does not amount to a “service” under the Finance Act, 1994, and is therefore outside the scope of service tax, a verdict which experts believe not only seeks to preserve the federal balance but also shields genuine land-sale transactions from service-tax exposure. A bench of justices JB Pardiwala and Sandeep Mehta delivered the ruling while dismissing an appeal filed by the Commissioner of Service Tax, New Delhi, against M/s Elegant Developers, a Prayagraj-based partnership firm. The revenue department had contested a 2019 order of the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), which had quashed a tax demand exceeding ₹10 crore.

UP housing board exempted from income tax

The Uttar Pradesh Housing and Development Board was declared a non-profit making govt body after the Central Board of Direct Taxes exempted it from paying income tax. A spokesperson from the Uttar Pradesh Avas evam Vikas Parishad on Tuesday said: "The board is exempted from paying income tax on its collection and revenue generated through the profits earned over business operations." The exemption would be effective from April 1, 2023, and the housing body would claim the money that has been paid as taxes in the past. As the agency was treated as a commercial body, it had to spend a considerable amount of its earnings. Because the money generated through profits was used for charitable purposes, the board faced difficulty in providing upfront payments while acquiring land for big-ticket schemes.





Budget 2026: Pre-budget talks begin, chaired by Nirmala Sitharaman; tax reforms and manufacturing push in focus

Finance Minister Nirmala Sitharaman on Monday chaired the first pre-Budget consultation meeting with leading economists in New Delhi, marking the start of preparations for the Union Budget 2026-27. Senior officials from the Department of Economic Affairs (DEA), including the Secretary, Chief Economic Adviser, and other key officers, attended the session. The finance ministry said on social media, “Union Minister for Finance & Corporate Affairs Nirmala Sitharaman chairs the first Pre-Budget Consultation with leading economists in connection with the upcoming Union Budget 2026-27, in New Delhi.” Similarly, a meeting was also held with representatives from Farmer Associations and Agriculture Economists.

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