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## Tax Trends

Top Tax News This  
Week

## Customs duty regime next in line for reform: Sitharaman at HTLS 2025

Finance minister Nirmala Sitharaman announced that the government's next major reform will be a complete overhaul of India's customs duty regime, with lower rates, simpler rules, and greater transparency. Speaking at the Hindustan Times Leadership Summit 2025, she said the reform will align with recent tax simplifications under the new Income Tax Act and GST rationalisation. Highlighting strong growth prospects of around 7% despite global challenges, she noted that India's fundamentals remain robust and exporters are benefiting from a weaker rupee. She added that sustained reforms across taxation, infrastructure, and regulation are key to India's goal of becoming a developed nation by 2047, while advising states to avoid excessive borrowing for freebies.



**Hindustan Times**



## Crypto transactions in India crossed ₹51,000 crore in 2024-25, tax collection data shows

Cryptocurrency transactions in India jumped to ₹51,180 crore in 2024-25, up 41% from the previous year, as per Finance Ministry data shared in the Rajya Sabha. With a 1% TDS on VDA transfers, the government collected ₹511.8 crore in TDS. Collections in earlier years indicate transaction values of ₹22,130 crore (2022-23) and ₹36,270 crore (2023-24). Tax department surveys and searches also uncovered ₹39.8 crore in TDS non-compliance, ₹125.79 crore of undisclosed income at exchanges, and ₹888.82 crore of additional undisclosed VDA-related income.

## Will new income tax rules impose an 84% penalty on cash kept at home?

India's income tax rules on cash transactions have tightened significantly, with unexplained cash found during a search attracting up to 84% tax. Banks now report annual cash withdrawals above ₹10 lakh, and withdrawals over ₹20 lakh attract TDS, enabling closer monitoring. Cash dealings in property above ₹20,000, accepting more than ₹2 lakh in cash from one person in a day, or taking any cash loan can lead to a 100% penalty. With enhanced data-sharing across banks and financial platforms, the tax department can easily detect irregularities, making strict compliance essential.





## Income tax update: Will I-T Department release new ITR forms by January 2026? Finance Ministry says this

Most taxpayers have filed their ITR for FY 2024-25 and are now waiting for the new ITR forms for FY 2025-26, which the Income Tax Department has yet to release. When asked in Parliament if the forms would be issued by January 2026, the Finance Ministry did not specify a date. Minister of State Pankaj Chaudhary said the consolidation and simplification of forms for Assessment Year 2026-27 is in progress and will be notified as per the Income Tax Act, 1961. He added that forms aligned with the new Income Tax Act, 2025, will be issued after changes from Budget 2026 are incorporated and will be notified before FY 2027-28 effectively giving the government until 31 March 2027 to release the new ITR forms.

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