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Tax Trends

Top Tax News This
Week

Tax Rate On Air Purifiers Is Sole Domain Of GST Council: Centre To Court

The Centre has told the Delhi High Court that matters relating to the rate, classification, and reduction of Goods and Services Tax (GST) on air purifiers fall exclusively within the domain of the GST Council, cautioning that any judicial direction in this regard would not only be constitutionally impermissible but would also violate the framework of cooperative federalism.

In a detailed counter-affidavit filed in response to a public interest litigation (PIL) seeking reduction of GST on air purifiers and their declaration as "medical devices", the Union government said that the GST Council is a constitutional body constituted under Article 279A of the Constitution and is the "sole constitutionally designated authority" empowered to make recommendations on GST rates, exemptions and classifications.





After months of slowdown, consumer demand rebounds in Oct–Dec on GST cuts, softer inflation

Demand for consumer goods across electronics, groceries and lifestyle products recovered in the October-December quarter, helped by outsized cuts in goods and services tax (GST), easing inflation and improving sentiment after months of sluggish consumption, data from companies and market trackers showed. Volume sales of air-conditioners and TVs rose about 7-8% year-on-year after two consecutive quarters of decline following the GST reduction, while refrigerators and washing machines posted 5-6% growth, as per industry estimates. The retail market reported its best phase of growth in more than one and a half years.

Amid rise in sales, BMW urges government to retain 5 per cent GST on EVs ahead of Union Budget 2026

Ahead of Union Budget 2026, BMW has urged the Centre to retain the 5 per cent GST on electric vehicles, citing rising EV sales, high manufacturing costs, and the importance of keeping EVs affordable for consumers while supporting industry growth. The company has significantly increased its EV penetration, from 8 per cent in 2024 to 21 per cent in 2025, with Q4 seeing a jump to 23 per cent due to better supply. BMW plans to launch three new electric vehicles in 2026, aiming to reach 25 per cent EV penetration in its portfolio.





Income tax refund delay: You may have to wait for even 1 year to get ITR refunds – know why

Income tax refund delays beyond December 31 are not uncommon, as there is no penal consequence for the department during this one-year period, except for paying additional interest at 0.5% per month on the refund amount under Section 244A of the Income-tax Act, 1961. Data available on the Income Tax Department website shows that around 61 lakh income tax returns are yet to be processed. This also means that lakhs of taxpayers among them are still waiting for their refunds. While such delays often make taxpayers anxious especially after the December 31 deadline for belated returns experts say the situation, though frustrating, is legally permissible. One key point that has emerged from expert interactions is that the tax department is well within its rights to take time. This means that even after the belated and revised return deadlines are over, the department still gets a one-year window to complete processing.

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