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Tax Trends

Top Tax News This Week

High salary earners getting ‘nudge’ notices from Income Tax Dept? Here’s why you received it and what action to take now

India’s Income Tax Department has issued “Nudge” intimations to several high-salaried individuals, including top executives, urging them to voluntarily correct discrepancies in their income tax returns before stricter action is taken. The flagged issues include undisclosed foreign assets, overseas income, crypto gains, underreported ESOPs, inflated allowances, and questionable political or charitable donations. These communications are not formal notices with a DIN but serve as an opportunity to file revised returns under the department’s data-driven compliance campaign. Authorities have also identified patterns involving certain chartered accountants and indicated separate action may be initiated where necessary.





Form 16, 26AS and others renamed: Big income tax form changes from April 1, 2026

With the implementation of the new Income-tax Act, 2025 and the Draft Income-tax Rules, 2026 from April 1, 2026, several key statutory forms are being renumbered under the notified form matrix. Form 16 will become Form 130, Form 16A will be renamed Form 131, Form 24Q will change to Form 138, Form 26Q to Form 140, and Form 27Q to Form 144. The tax audit report forms (3CA, 3CB and 3CD) will be consolidated and notified as Form 26, while the Annual Information Statement currently known as Form 26AS will be renumbered as Form 168. These changes are part of the structural overhaul under the new tax regime and do not alter the substantive compliance requirements.

Impact of GST rate cuts fading? FMCG prices rise up to 5%; what's fueling the latest hike

After a brief period of price stability following GST rate cuts, India's FMCG companies are now raising prices by up to 5% as rising commodity costs and a weak rupee squeeze margins. Companies such as Dabur India, Hindustan Unilever and Tata Consumer Products have begun increasing prices across categories including home care, personal care and packaged foods. Higher crude-linked input costs, a sharp rise in coconut oil prices, and the rupee's slide to record lows have pushed up import expenses, prompting firms to exercise pricing power after previously holding back due to anti-profiteering scrutiny. While revenue growth remains steady, margin pressures persist despite improved sales volumes.



SC dismisses Patanjali curative petition on yoga camp tax



In a major setback to Patanjali Yogpeeth Trust, the Supreme Court of India has dismissed its curative petition, upholding the levy of service tax on fees collected for residential and non-residential yoga camps. A bench led by Chief Justice Surya Kant ruled that no grounds existed to entertain the plea under the principles laid down in *Rupa Ashok Hurra v. Ashok Hurra* (2002). The court had earlier, on April 19, 2024, refused to interfere with the October 5, 2023 ruling of the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), which held that yoga camps charging entry fees fall under “health and fitness service” and are liable to service tax. The tribunal noted that although the amounts were termed as “donations,” they constituted consideration for services, as participants were issued entry tickets with graded privileges. A service tax demand of approximately ₹4.5 crore for the period October 2006 to March 2011, along with interest and penalties, was raised by the Commissionerate in Meerut. With the dismissal of the curative petition, the litigation has effectively reached its conclusion.

‘English only’ rule for GST appeal sparks protest from tax practitioners

The Madhya Pradesh Tax Law Bar Association and Commercial Tax Practitioners Association have launched a protest against Rule 23 of the GST Appellate Tribunal (GSTAT) Procedure Rules, which mandates translation of all GST appeal documents into English before filing before the Tribunal. Calling the move impractical and financially burdensome, especially in Hindi-speaking Madhya Pradesh, the associations submitted a memorandum to Union Finance Minister Nirmala Sitharaman, the GST Council and state tax authorities, arguing that the rule undermines accessible justice and imposes avoidable costs on small and medium taxpayers in a Region A state under the Official Languages Act, 1963.



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