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Tax Trends

Top Tax News This Week

India's Electronic Gold Receipts Trade May Run Into GST Hurdles

India's proposed Electronic Gold Receipt (EGR) trading framework may encounter difficulties due to the absence of clarity on GST treatment. While EGRs have been introduced as a mechanism to facilitate exchange-based trading of gold, concerns remain regarding the tax implications of converting physical gold into EGRs and redeeming EGRs back into physical gold. Market participants have indicated that uncertainty over GST liability could affect the viability and smooth functioning of EGR transactions. The issue has gained attention as stakeholders seek regulatory clarity before large-scale adoption of the new trading mechanism. Unless the GST position is addressed, the rollout and effectiveness of EGR-based gold trading could face practical challenges.





RERC Orders Solar Power Developers to Pass GST Benefits to Consumers

The Rajasthan Electricity Regulatory Commission (RERC) has directed renewable energy developers to pass on the financial benefits arising from the reduction of GST on renewable energy equipment from 12% to 5% to distribution companies and, ultimately, electricity consumers. The Commission treated the GST reduction as a “Change in Law” event under power purchase agreements, noting that earlier GST increases had similarly been recognised for compensating developers. RERC stated that the principle should apply equally when tax rates decrease, ensuring that lower project costs translate into consumer benefits. The order applies to eligible projects affected by the GST revision and requires developers to provide supporting documentation to quantify and transfer the resulting savings.

GST collections grow 3.2% in May to ₹1.94 lakh cr

Gross GST collections rose 3.2% to over ₹1.94 lakh crore in May on improved supplies of goods and services, and continued expansion of collection from imports, government data showed on Monday (June 1, 2026). Gross Central GST (CGST) collection from domestic transactions during the reported month stood at ₹37,397 crore, State GST (SGST) at ₹45,143 crore and Integrated GST (IGST) at ₹51,990 crore. Taxable supplies of goods grew 26.9% during the reported period, reflecting domestic demand, while the same for the services sector grew 22.2%, demonstrating structural resilience in domestic consumption.





ITR Filing FY 2025-26: Top Reasons Salaried Taxpayers Should Wait Till Mid-June to File Income Tax Returns

Salaried taxpayers have been advised to defer filing their income tax returns for FY 2025–26 until at least mid-June, despite the availability of ITR filing utilities. The recommendation stems from the fact that crucial tax documents and data, including Form 16, Form 16A, and updates to the Annual Information Statement (AIS), may not be fully available before then. Information relating to high-value financial transactions is also typically reflected in the system only after the relevant reporting deadlines. Filing returns before these records are updated, could result in mismatches, omissions, or the need for subsequent revisions.

Govt exempts foreign investors, BIS from tax on government securities via ordinance

The government has promulgated the Income-tax (Amendment) Ordinance, 2026, granting tax exemptions on interest income and capital gains earned from investments in government securities by Foreign Institutional Investors (FIIs) and the Bank for International Settlements (BIS). Under the amendment, interest earned on government securities, as well as capital gains arising from their sale, exchange or transfer, will be exempt from income tax for FIIs and BIS, subject to furnishing prescribed information to tax authorities.



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