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Tax Trends

Top Tax News This Week

One GST Number For All India? States Say No To Centre's Big Reform

A proposal to replace state-wise GST registrations with a single nationwide registration has been rejected by states, putting one of the key recommendations of the Rajiv Gauba-led High-Level Committee on Regulatory Reforms on hold, Moneycontrol reported citing government sources. The proposal was aimed at simplifying GST compliance for businesses operating across multiple states. However, states are concerned that a nationwide registration could reduce their administrative powers, particularly over registration, assessment and enforcement.





GST Council to address quicker processing of ITC refunds, to remove officer discretion on refunds

A year after the GST Council cleared 90 percent refunds for inverted duty structure claims, it is looking to automate the refund process. A risk-based system could replace officer intervention and help businesses get their stuck working capital faster. Delayed GST refunds and the resulting blockage of working capital have been a long-standing concern for businesses. The GST Council, expected to meet on September 12, is likely to consider an amendment to the GST Act to enable a more automated and risk-based mechanism for processing input tax credit refunds, to reduce delays in their release.

GST Council to discuss input tax credit relief for employers offering group health, life insurance policies

The GST Council is likely to consider providing relief to employers offering group health and life insurance policies to employees at its September 12 meeting, including changes to the current restrictions on input tax credit (ITC), sources said. The Council may allow employers to claim ITC on the goods and services tax (GST) paid on such policies, a benefit currently restricted under GST law, the sources said.

Employers currently pay 18 percent GST on group health and life insurance policies procured for employees, while individual policies remain exempt. ITC on such insurance is also generally restricted, subject to specified exceptions. Where insurance must be provided under law, such as for workers engaged in a hazardous industry, ITC can be claimed.





GST collections rise 14.8% to ₹1.99 trillion in August; refunds jump 68%

India's gross goods and services tax (GST) collections rose 14.8% to ₹1.99 trillion in August from ₹1.74 trillion a year earlier, with collections from imports contributing significantly to the increase, according to provisional data released by the finance ministry on Tuesday. However, August collections were lower than ₹2.11 trillion in July, when GST collections crossed the ₹2 trillion mark for the second time. July's mop-up was the second-highest monthly GST collection since the tax regime was introduced in July 2017, after the record ₹2.43 trillion collected in April 2026. Gross domestic GST revenue rose 9.3% to ₹1.37 trillion last month from ₹1.25 trillion a year earlier. GST collected on imports increased 29% to ₹62,604 crore from ₹48,546 crore. The gross collections were broadly in line with the ₹1.95 trillion collected in June.

Parliamentary panel flags 'punitive' tax regime, seeks data on new Income Tax Act's Impact

Members of the Parliamentary Standing Committee on Finance, cutting across party lines, criticised the present Income Tax regime for relying excessively on what they described as "punitive action" and granting tax officials significant scope for overreach, at a meeting on Thursday (September 3, 2026). The panel, headed by BJP MP Bhartruhari Mahtab, met to discuss "Direct Tax Reforms: Simplification, Rationalisation and Ease of Compliance" with representatives of the Department of Revenue in the Finance Ministry and the Central Board of Direct Taxes (CBDT).



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