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Tax Trends

Top Tax News This Week

GST Council bets on tech to curb fake invoices, ITC fraud: CBIC member

The GST Council aims to rely more on technology than officer-led intervention to prevent fake invoices and fraudulent input tax credit (ITC) claims. Proposed changes to the return-filing mechanism would require taxpayers to pay the tax declared as payable when the corresponding credit is passed on to recipients. Amendments to the GST Act may be taken up during Parliament's winter session, while reforms related to registration and refunds, including automated processing and sanction of refunds, are expected to be implemented from November 1. The 57th GST Council meeting focused on process and structural reforms, while a separate meeting will be held to discuss rate rationalisation.



The Times of India



GST process reforms to be implemented in phases; draft returns to be out in public from November 1

The GST process reforms approved by the GST Council will be implemented in phases, with the first phase focusing on simplified registration for e-commerce sellers, streamlined registration and faster refunds. The Ministry of Finance will publish draft GST return forms on the myGov.in portal on November 1 for public comments until November 30. The proposed changes to GSTR-1, GSTR-1A and the Invoice Management System (IMS) aim to improve reconciliation with GSTR-3B, minimise data mismatches that account for nearly 80% of notices issued, and reduce the need for amendments to GSTR-3B. The revised forms are expected to come into effect from April 1 next year.

The Indian Express

Industry welcomes move to end random vehicle checks by GST officials

Industry bodies in Coimbatore have welcomed the Tamil Nadu government's decision to replace routine roving squad checks with intelligence-based interception of goods, following the 57th GST Council meeting held on October 8. Under the revised procedure, flying squads will conduct interceptions only on the basis of specific intelligence recorded in the e-office system and authorised by an officer not below the rank of Joint Commissioner. The reform is expected to reduce transport delays and unnecessary harassment of genuine traders, minimise business disruptions, and improve the ease of doing business, particularly for micro, small and medium enterprises (MSMEs).



The Times of India



CBDT mandates new disclosures for tax-free gains on govt securities

The CBDT has introduced Form 173A under Rule 281A of the Income-tax Rules, 2026, requiring taxpayers claiming exemptions on interest and capital gains from government securities under Schedule IV of the Income-Tax Act, 2025, to disclose relevant details. The form requires taxpayer information, details of securities held at the beginning and end of the tax year, purchases, sale proceeds, interest income and capital gains. Taxpayers must also specify the securities' ISIN, type and tenor and submit a declaration confirming the accuracy of the information. The requirement covers treasury bills, fixed-rate bonds, floating-rate bonds, state development loans and other government securities.

The Economic Times

CBDT exempts interest payments on rupee-denominated bonds issued by New Development Bank from TDS

The CBDT has exempted interest payments on Maharajah INR Bonds issued by the New Development Bank (NDB) from tax deduction at source (TDS) for eligible Indian resident investors and foreign institutional investors for tax year 2026–27 and subsequent tax years. Maharajah Bonds are rupee-denominated bonds issued and settled in India, unlike Masala Bonds, which are issued in overseas markets. The exemption is expected to support the NDB's rupee bond programme, which aims to strengthen India's domestic capital markets, facilitate local-currency financing and reduce foreign exchange risks for borrowers.



The Economic Times



Global investors against use of judicial anti-avoidance rule by tax officials

International investors have raised concerns regarding the Indian Income-tax authorities' invocation of the judicial anti-avoidance rule. At a recent meeting, investors communicated their issues with the Central Board of Direct Taxes on this matter. The use of JAAR to deny relief on grandfathered shares contradicts prior regulations established by the CBDT. The standing of both GAAR and JAAR remains complex due to Supreme Court rulings.

The Economic Times

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