

Higher GST receipts the new normal: FM

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India should be able to sustain robust collections of goods and services tax (GST) with steps taken by the government to make it easier to do business and enforce tax compliance, finance minister Nirmala Sitharaman said on Thursday.

“Commendable work has been done in the year gone by both in the area of facilitation and enforcement

with numerous cases of fraudulent dealers and input tax credit being registered. The enhanced revenue collection in recent months should now be the new

normal,” Sitharaman said in a statement on the fourth anniversary of rolling out the historic indirect tax reform that subsumed most indirect taxes in the country.

In separate messages, Sitharaman and minister of state for finance Anurag Thakur explained how the authorities

have used technology to balance taxpayer convenience and deterrence to tax evasion.

GST collections remained above ₹1 trillion since last October on the back of a revival in the economy. However, there might be a temporary blip in collections in June due to the pandemic’s devastating second wave before tax receipts recover in the coming months.

Thakur said in his message that instances of fake input tax credit and tax evasion of more

than ₹29,000 crore have been detected since last November as part of an enforcement drive by the Central Board of Indirect Taxes and Customs (CBIC).

“The one distinctive feature of

the year that has been passed is the balance that we have struck between trade facilitation or ease of doing business on the one hand and enforcement on the other. It has been a year when technology has been deployed successfully to fulfil both the objectives,” Thakur said.

India should be able to sustain robust collections of GST with steps taken by the government, said Sitharaman