

# Sitharaman calls for simplified tax regime, tech-enabled reforms

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With establishment of the GST Appellate Tribunal and incorporation of technologies such as artificial intelligence and machine learning, the Centre is not only streamlining litigation but also ensuring a more simplified and efficient tax system for GST (goods and services tax) and income tax, Finance Minister Nirmala Sitharaman said.

Over the past several years, India has made significant progress in simplifying its tax framework and improving dispute resolution mechanisms, she said while speaking at an event organised by the Revenue Bar Association in Chennai.

By raising monetary limits for appeals and incorporating tech-driven reforms, the government is making strides in reducing legal disputes and promoting ease of doing business. She noted the recent appointment of Justice (Retd) Sanjay Kumar Mishra as the first President of the GSTAT in Delhi and the creation of 31 State benches. The appointment of judicial and technical members is progressing rapidly, and GSTAT will enhance the overall effectiveness of the GST system, she added.

She urged the Revenue Bar Association to ensure that its members become well-versed in handling technology-driven and AI-powered applications.

The Finance Minister also announced upcoming re-



Finance Minister Nirmala Sitharaman with Arun Alagappan, President, SICCI, at the 141st AGM of SICCI in Chennai BUJOY GHOSH

forms in direct taxes, aimed at simplifying the Income Tax Act and reducing disputes. Within six months, the government plans to introduce changes that will make the law more concise and user-friendly, providing greater tax certainty. She urged the Revenue Bar Association to submit detailed suggestions on provisions that should be changed to help streamline the Act and minimise litigation.

In terms of indirect taxes, the 53<sup>rd</sup> GST Council recommended new monetary limits for appeals — ₹20 lakh for the GSTAT, ₹1 crore for the High Court and ₹2 crore for the Supreme Court. This move is expected to lead to the withdrawal of 7,755 appeals, helping reduce the litigation burden on taxpayers.

#### 'CAPITALISE STABILITY'

Later, at the Southern India Chamber of Commerce & Industry's 114th annual meeting, Sitharaman stressed the importance of a stable policy

environment, a predictable tax regime and governance continuity amid global uncertainties like geopolitical tensions and trade disruptions. Despite global challenges, India is on track to become a developed economy by 2047, currently contributing 16 per cent to global GDP, and expected to grow at 7 per cent next year, as per the World Bank.

South India's strengths are key to India's overall growth, and we must harness these without succumbing to divisive narratives. The region's entrepreneurial spirit, paired with manpower from across the country, will drive this growth.

With corporate tax cuts in place and the pandemic behind, Sitharaman called on industry leaders to capitalise on the stable policy environment and expand global opportunities, urging them to invest, innovate, and grow both for their success and to contribute to India's rise on the global stage.