

# Direct tax mop-up hits 95% of FY23 Revised Estimates

Net collection rises 15.3% to ₹15.72 trn as on March 16

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**N**et direct tax collection (after adjusting refunds) rose 15.3 per cent to ₹15.72 trillion till March 16 this fiscal year so far, buoyed by an upsurge in advance tax mop-up, people close to the development told *Business Standard*.

With this, tax collection is 95.2 per cent of the revised target of ₹16.5 trillion and 10 per cent above the Budget Estimate of ₹14.2 trillion.

As on March 16, on a net basis, corporate tax collection stood at ₹8.11 trillion and personal income tax ₹7.32 trillion.

These include the advance tax collection of ₹7.40 trillion.

Securities transaction tax collection is at ₹24,093 crore against the revised target of ₹25,000 crore.

“We are in the process of compiling the advance tax received in the fourth and last quarter of the fiscal year. The March 16 figures include 60 per cent of the advance tax due. The remaining 40 per cent will reflect by March 18-19,” an official said.

“Based on the March 16 compilation, we are short of just ₹78,821 crore (or 5 per cent) of the Revised Estimate of ₹16.5 trillion. Since the fourth instalment of advance tax is yet to arrive fully, there is a high probability of the numbers getting revised upward,” he added.

The deadline for the final instalment of advance tax collection was March 15.

The Central Board of Direct taxes (CBDT), an apex body for direct tax matters, on March 20 expected to conduct a pan-Indian review of tax collection in FY23 over video-conferencing, another official privy to the matter said.



## STRONG NUMBERS

Direct tax mop-up math for FY23\*

Gross collection  
**₹18.69 trillion**

Corporate income tax  
**₹8.11 trillion**

Personal income tax  
**₹7.32 trillion**

Refunds  
**₹2.97 trillion**

Net collection  
(Gross-refunds)  
**₹15.72 trillion**  
(vs ₹13.63 trillion in  
FY22 till March 16)

Cumulative  
advance  
tax:  
**₹7.4 trillion**

Note: Data for April 1, 2022–March 16, 2023; numbers rounded off, so values may vary slightly  
Source: CBDT sources

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## Direct tax...



Usually in March, tax collection increases remarkably owing to quarterly and yearly closures.

“Revenue is likely to go up because many companies pay the entire tax in the fourth instalment, making up for any shortfall in the first three instalments. Moreover, enforcement efforts to recover outstanding tax demand further optimise revenue collection,” the officer said.

Advance tax is paid in four instalments, instead of at the end of the fiscal year. It is considered an indication of economic sentiment. The first instalment, or 15 per cent of advance tax, is to be paid by June 15, the second by September 15 (30 per cent), the third by December 15 (30 per cent), and the rest by March 15.

For FY23, the projection of direct tax, which includes individual and corporate tax, has been revised upward and is expected to grow by over 17 per cent to ₹16.5 trillion from ₹14.08 trillion estimated earlier.

Notably, the Union Budget in February pegs tax revenue

at ₹33.6 trillion, which is 10.4 per cent higher than the ₹30.4 trillion projected in the Revised Estimate for FY23.

## 5G...

From March 23, Jio's family plan will allow a family of four to try the services free of cost for a month. The additional three add-on connections will be available at ₹99 per SIM, taking the total monthly charge for four post-paid connections to ₹696 for a family of four.

Data of 75 GB per month will be available for the ₹399 plan, while the ₹699 family plan will have 100 GB data per month. The ₹699 plan, coupled with the three addi-



tional SIM, will take the total to ₹996 per month.

Earlier this week, Bharti Airtel had scrapped the minimum recharge plan of ₹99 in the remaining of the 22 telecom circles, replacing it with an entry-level plan of ₹155. The company has been the first mover in taking entry-level tariffs higher.

The ₹99 segment accounted for 7-8 per cent of Airtel's overall mobile revenue. The ₹99 plan offered 200-megabyte data and calls at the rate of ₹2.5 paise per second. This has now been replaced nationwide with an

