

Direct tax collections rise 33% till August 24

PRASANTA SAHU
New Delhi, August 25

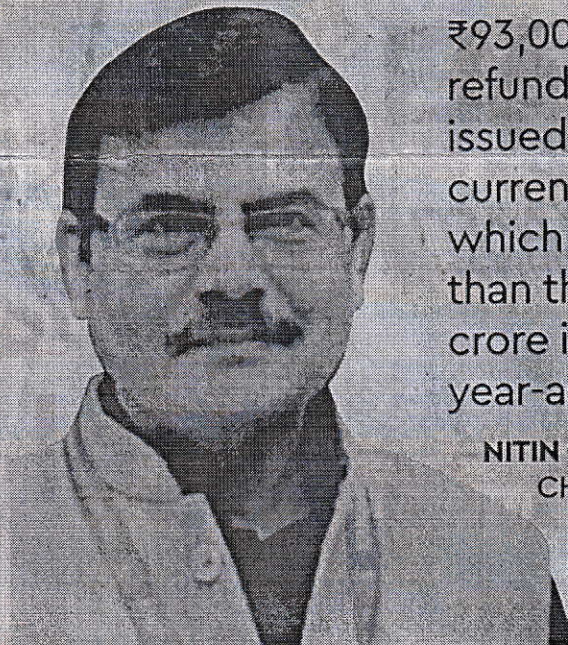
THE CENTRE'S DIRECT tax collections (post-refunds) grew by a robust 33% on year till August 24 of the current financial year, with both personal income tax (PIT) and corporate income tax (CIT) performing much better than anticipated, thanks to higher compliance and a favourable base effect, Central Board of Direct Taxes (CBDT) chairman Nitin Gupta said on Thursday.

Despite higher refunds, direct tax collections stood at about ₹4.8 trillion as on August 24 of the current fiscal. During the period, refunds rose by a sharp 78% to about ₹93,000 crore, compared to ₹52,000 crore in the year-ago period, Gupta said.

The Centre's direct tax collections are expected to exceed the FY23 Budget target of ₹14.2 trillion by a substantial amount, as the target for the year is at par with actual receipts of last fiscal.

The PIT collections till August 24 of the current financial year rose by a whopping 42% on year, while corporate tax collections rose by 24%.

"The growth is on account of higher compliance, thanks to the use of technology and data mining (which is used to show



₹93,000-crore tax refunds have been issued so far in the current fiscal, which is 78% more than the ₹52,000 crore in the year-ago period."

NITIN GUPTA,
CHAIRMAN,
CENTRAL BOARD
OF DIRECT
TAXES

Direct tax collection trend

Growth (% yoy)
(up to Aug 24
of FY23)



Net
direct taxes



Corporate
taxes



Personal
income taxes

taxpayers their tax liability), as well as base effect, as Covid had resurfaced in the June quarter of last fiscal," Gupta said. The September collections would be a good indicator of the likely full-year performance of the taxes, he added.

According to FE analysis, the Centre's total net tax revenue (after devolution to

states) may exceed the FY23 budget by about ₹1.3 trillion due to buoyancy in goods and services tax and direct taxes.

On income tax returns (ITRs) filed so far, the official said about 60 million ITRs have been filed so far in the current fiscal, almost at par with the filings till January 21 in the last fiscal.