

President's Communique

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Dear Members and Colleagues,

September occupies a special place in the professional calendar of every tax practitioner. It is a month when the intensity of our professional responsibilities increases considerably. Audits, reconciliations, advance-tax computations, return preparation, GST compliances, advisory assignments and representation matters all compete for our time and attention. For many of us, the days become longer and deadlines appear closer. Yet, amidst this pressure, September also gives us an opportunity to reflect upon an important transformation taking place within our profession.

I. From Compliance to Counsel – The Evolving Role of the Tax Professional

For several decades, tax professionals were commonly perceived primarily as persons who prepared / maintained books of accounts, filed returns, conducted audits and represented taxpayers before the authorities. Those responsibilities remain important, but the profession today demands considerably more.

Our clients increasingly look up to us not merely to tell them **what has to be filed**, but also **why a particular position should be taken, what the law intends, where the risks lie, how a transaction should be structured, and how future disputes may be avoided.**

In other words, we are gradually moving from being compliance professionals to becoming **trusted counsellors in taxation and business affairs.**

This transition carries both an opportunity and a responsibility.

Technology is rapidly automating data entry, reconciliation, computation and many routine compliance functions. Artificial intelligence will further accelerate this process. But the ability to interpret legislation, appreciate judicial principles, understand commercial realities, distinguish substance from form, evaluate competing legal positions and advise a taxpayer with independence and integrity cannot simply be reduced to an automated process.

Technology can process information; the professional must provide **judgment**.

Technology can identify a mismatch; the professional must determine **why the mismatch arose and what legal consequence follows.**

Technology may suggest an answer; the professional must decide whether that answer is **legally sustainable, ethically appropriate and commercially sensible.**

This, I believe, is where the future relevance of our profession lies.

In September, as our members enter one of the most demanding professional periods of the year, it is appropriate that we carry that thought one step further: **the more technology performs routine work, the greater must be our investment in knowledge, interpretation and professional judgment.**

II. The Transition to the Income-tax Act, 2025

We are presently witnessing an important period in Indian Direct Taxation System. **The Income-tax Act, 2025** has ushered in a new legislative framework, while many assignments relating to earlier financial years continues to be governed by the Income-tax Act, 1961. For the profession, this is more than a change in section numbers.

During this transitional period, practitioners will necessarily have to remain conversant with both legislative frameworks. Familiar provisions have been reorganised, terminology has changed and forms and procedures are gradually being aligned with the new law.

The Income Tax Department has itself provided a comparison facility between the Income-tax Act, 1961 and the Income-tax Act, 2025, reflecting the practical importance of understanding the transition.

This presents a tremendous opportunity for AIFTP. Study circles, conferences and publications should increasingly focus not merely on identifying corresponding provisions but on understanding whether the new language has changed the substance of the law, how existing judicial precedents may apply to the reorganised provisions and where fresh interpretational issues could arise. Our members must endeavour to remain ahead of the change rather than responding to it after difficulties emerge.

III. Foreign Assets – A New Compliance Opportunity

One of the significant developments at the beginning of September is the operationalisation of the **Foreign Assets of Small Taxpayers Disclosure Scheme, 2026.**

CBDT issued Notification No. 114/2026 on **1 September 2026**, notifying the rules and forms under the Scheme, and Form 1 has now been enabled on the Income Tax e-Filing Portal. The Scheme provides eligible taxpayers a one-time opportunity to voluntarily disclose specified foreign income or foreign assets that had not earlier been appropriately reported.

This development is particularly relevant in today's world, where professionals increasingly encounter taxpayers who have studied, worked, invested or lived abroad.

Foreign bank accounts retained after overseas education, ESOPs or RSUs received during foreign employment, overseas insurance policies, investments and savings accumulated during deputation or employment outside India may sometimes remain unreported—not necessarily because of deliberate tax evasion, but because taxpayers did not fully appreciate India's foreign-asset reporting requirements.

The Government itself has identified categories such as employees receiving overseas ESOPs or RSUs, former students retaining foreign bank accounts, returning non-residents and persons who served abroad among those for whom the Scheme could be relevant.

This once again highlights the importance of the tax professional's advisory role.

We should not wait until a notice is received before discussing foreign assets with clients. Appropriate questions regarding overseas employment, bank accounts, securities, stock options, investments and foreign income should increasingly become part of our annual tax-review processes. Voluntary compliance is always preferable to compliance compelled by investigation.

IV. GSTAT – A New Chapter in GST Litigation

Another development of considerable importance to the tax profession is the growing operational presence of the **Goods and Services Tax Appellate Tribunal.**

For several years after the introduction of GST, the absence of a fully functioning appellate tribunal created difficulties for taxpayers and professionals alike. The operationalisation of GSTAT therefore marks an important stage in the development of the GST dispute-resolution architecture.

The Tribunal's official portal now provides facilities relating to e-filing, case status, cause lists and judgments/orders. GSTAT has also recently announced the **reconstitution of Benches and revised classification of categories of cases**, demonstrating that the institution is progressively developing its procedural framework.

The emergence of GSTAT also creates a new professional responsibility. Tribunal practice demands skills different from routine compliance. It requires careful preparation of facts, identification of questions of law, drafting of grounds of appeal, appreciation of precedent, compilation of evidence and persuasive advocacy.

I particularly encourage younger members interested in litigation to begin developing these skills. Attend hearings whenever possible. Read orders and judgments. Study how experienced professionals formulate arguments. Participate in moot sessions and technical discussions. AIFTP, with its rich tradition of tax advocacy and its distinguished body of senior practitioners, is uniquely positioned to create a bridge between generations in this area.

Our senior advocates, Chartered Accountants and tax practitioners possess decades of invaluable experience in appellate proceedings. Passing this knowledge to younger professionals should become one of the Federation's most important contributions in the coming years.

V. Representation – One of AIFTP's Core Responsibilities

As tax laws become increasingly technology-driven, practical difficulties can arise not only from legislation but also from portal architecture, validation rules, system restrictions and data mismatches.

A professional organisation like AIFTP therefore has a responsibility extending beyond conducting conferences and seminars.

We must listen carefully to difficulties experienced by members across the country, examine them objectively and, wherever appropriate, place them before the Government, CBDT, CBIC, GSTN and other authorities with constructive suggestions. *However, representation achieves credibility only when it is based upon proper research.*

A representation should not merely state that a provision causes hardship. It should identify the provision, demonstrate the difficulty through practical examples, analyse the legal or technological issue and, most importantly, suggest a workable solution. When Government and professional bodies engage in such constructive dialogue, the ultimate beneficiary is the taxpayer and the tax administration alike.

VI. Knowledge Must Travel Beyond Conferences

AIFTP conducts a large number of conferences, seminars, study circles and technical programmes across its Zones and Associations. These provide immense value to our members. But knowledge should not end when the programme concludes.

I would request speakers and participants to convert important discussions into articles, technical notes, case-law analyses and practical guidance for publication in **AIFTP Times and our other publications.**

A question raised by one practitioner may be faced by hundreds of practitioners elsewhere in the country.

An argument successfully advanced before an appellate authority may provide useful guidance to another member.

A procedural difficulty encountered in one State may shortly arise in another. An organisation becomes a true knowledge institution when individual experience is systematically converted into collective knowledge.

Let us therefore cultivate a stronger culture of **writing, research and knowledge sharing within AIFTP.**

VII. Looking Ahead – Converting the Golden Jubilee into a Legacy

We are now entering the concluding months of an extraordinary year for our Federation. The Golden Jubilee should ultimately be remembered not merely for commemorative programmes and celebrations, important though they are. Its true legacy must lie in what we build for the next generation. When future members look back upon this period, I would like them to see a Federation that honoured its distinguished past but was equally prepared for the future. And, above all, a Federation that remained united by friendship, fellowship and professional excellence. During the remaining months of this Golden Jubilee year, I urge each of us to translate that call into action.

Let every Zone identify new professionals whom it can bring into the activities of AIFTP. Let every committee consider what lasting contribution it can make before completion of its tenure. Let every senior member identify at least one younger professional whom he or she can encourage and mentor. And let every member ask a simple question: **"What can I contribute to AIFTP, rather than what can AIFTP give me?"** If thousands of members ask themselves that one question, the collective result can transform our Federation.

VIII. Conclusion

Friends, the profession around us is changing rapidly.

Legislation is changing. Technology is changing. Tax administration is changing. Client expectations are changing. Forums of litigation are changing.

Our response cannot merely be to work faster.

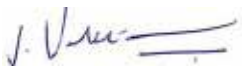
We must learn deeper, think independently and advise better.

Compliance may continue to remain an essential part of our profession for a few more years, whereas our enduring value will increasingly lie in interpretation, judgment, advocacy, integrity and the confidence that taxpayers place in us.

AIFTP has, for more than five decades, brought together professionals from different parts of the country and different streams of tax practice. As we continue our Golden Jubilee journey, let us strengthen that legacy by preparing ourselves and the next generation for the profession that lies ahead. As always, I seek your continued cooperation, constructive suggestions and active participation in all the initiatives of the Federation

I wish all our members and their families good health, happiness and continued professional success.

With warm regards and best wishes,



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National President

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