

President's Communique

CA S. Venkataramani

Dear Members and Colleagues,

October is a month of considerable significance for the taxation profession. It is a period when statutory responsibilities demand our utmost attention, while the festive spirit of Navaratri and Vijayadashami reminds us of the enduring values of knowledge, righteousness, perseverance and integrity.

As we enter the concluding months of the Golden Jubilee year of the All-India Federation of Tax Practitioners, it is also an appropriate occasion to reflect upon our professional responsibilities, the changing landscape of taxation and the collective contribution we can make towards strengthening our Federation.

- **Statutory Compliance – Balancing Deadlines with Professional Responsibility**

The extension of the due date for furnishing tax audit reports to **21 October 2026**, and the corresponding due date for filing income-tax returns to **21 November 2026**, has provided welcome relief to taxpayers and tax professionals.

These extensions are particularly significant considering the increasing complexity of statutory compliances, reconciliations, reporting requirements and the technological challenges encountered in the course of professional assignments.

I take this opportunity to acknowledge the sustained efforts of our members and the larger professional fraternity during this demanding period.

However, the availability of additional time should not diminish the importance of professional diligence. Tax audits are not merely statutory formalities to be completed within prescribed timelines. They serve an important purpose in promoting transparency, ensuring the reliability of financial information and strengthening voluntary tax compliance.

The responsibility of a tax professional extends beyond furnishing a report or filing a return. It includes examining the underlying records, evaluating the appropriateness of disclosures, identifying material inconsistencies and exercising independent professional judgment.

Deadlines may determine when our professional responsibilities must be discharged, but professional standards must determine how they are discharged.

As professionals, we must continue to uphold the quality of our work even amidst the pressures of statutory compliance.

- **57th GST Council Meeting – A Significant Step Towards Simplification and Taxpayer-Friendly Reforms**

The recommendations of the 57th GST Council Meeting held on 8 October 2026, under the chairpersonship of the Hon'ble Union Finance Minister, mark an important development in the continuing evolution of the GST framework. Unlike the earlier emphasis on rate rationalisation, the recent deliberations have focused primarily on procedural simplification, facilitating input tax credit, expediting refunds and reducing avoidable litigation.

Among the significant recommendations are the removal of arrest provisions under GST, enhancement of the prosecution threshold from ₹1 crore to ₹5 crore, reduction of the maximum general penalty from ₹25,000 to ₹10,000 and introduction of a minimum tax-demand threshold of ₹10,000 for issuing show cause notices. The Council has also recommended rationalisation of restrictions on input tax credit under Section 17(5), wider eligibility for refunds of accumulated credit relating to input services and capital goods, improvements in registration and return-filing procedures, and greater safeguards in enforcement and adjudication. These measures, particularly those relating to decriminalisation, proportionate penalties and the protection of taxpayers' rights, are welcome steps towards a more balanced tax administration. Their ultimate effectiveness will depend upon timely legislative implementation and clarity in the corresponding rules and procedures. AIFTP, as a national body representing tax professionals, must continue to examine these recommendations and contribute constructively towards ensuring that the intended benefits translate into meaningful relief for taxpayers and greater certainty in GST compliance.

- **Tax Administration – The Need for Certainty, Simplicity and Fairness**

A sound taxation system must strive to achieve three essential objectives: certainty in law, simplicity in compliance and fairness in administration.

Over the years, considerable progress has been made in digitising tax administration and facilitating electronic compliance. These developments have undoubtedly transformed the interaction between taxpayers, professionals and the authorities.

Nevertheless, practical challenges continue to arise from procedural complexities, system-generated mismatches, portal restrictions and differing interpretations of statutory provisions.

While technology has the potential to make tax administration more efficient, its effectiveness must ultimately be measured by the ease with which taxpayers can comply with the law and exercise their legitimate rights.

Taxpayers should not be subjected to avoidable hardship merely because of procedural or technological limitations.

Equally, the tax administration must have the necessary mechanisms to distinguish between genuine errors, interpretational differences and deliberate non-compliance.

In this context, professional organisations such as AIFTP have an important role in identifying practical difficulties and presenting constructive suggestions before the appropriate authorities.

Our representations must continue to be founded upon careful research, factual accuracy and workable recommendations.

Constructive engagement between the tax administration and the professional community is essential for building a tax system that commands both confidence and compliance.

- **Navaratri and Vijayadashami – Celebrating Knowledge and Righteousness**

The auspicious celebrations of Navaratri and Vijayadashami carry a timeless message of the triumph of good over evil, knowledge over ignorance and righteousness over adversity.

These values have a special relevance to our profession.

Knowledge enables us to understand and interpret the law. Integrity guides us in applying it. Perseverance helps us navigate complex professional challenges, while wisdom enables us to exercise judgment with fairness and responsibility.

As we celebrate these festivals, let us reaffirm our commitment to these principles in our professional and personal lives.

May the festive season strengthen the bonds of friendship, fellowship and mutual respect that have always been the hallmark of our Federation.

- **Concluding Thoughts**

Friends, the taxation profession continues to evolve in response to changes in legislation, technology, administration and the expectations of society.

These developments require us to continuously enhance our knowledge and professional capabilities while remaining firmly committed to the principles of independence, integrity and service.

As members of AIFTP, we have the additional responsibility of contributing to the growth and development of an institution that has served the profession with distinction for five decades.

Let us continue to strengthen this legacy through active participation, constructive engagement, professional excellence and the willingness to share our knowledge and experience.

I remain confident that, with the collective commitment of our members, AIFTP will continue to grow as a vibrant, respected and forward-looking professional organisation.

I seek your continued cooperation, constructive suggestions and active involvement in all the initiatives of the Federation.

I extend my warm greetings and best wishes to all our members and their families on the auspicious occasion of Navaratri and Vijayadashami. May these festivals bring happiness, prosperity, good health and continued professional success to everyone.

With warm regards and best wishes,



CA S. Venkataramani
National President

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