GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.2484

TO BE ANSWERED ON MONDAY, 3 AUGUST, 2026/ SHRAVANA 12, 1948 (SAKA)

Direct Tax Collection

2484. THIRU DAYANIDHI MARAN

Will the Minister of FINANCE be pleased to state:

(a) the details of gross direct tax collections, net direct tax collections and income tax refunds issued during the current financial year up to 13th July, 2026, including the corresponding figures for Tamil Nadu, State-wise;
(b) whether the Government has analysed the reasons for the increase in direct tax collection despite continuing concerns regarding employment generation, Micro, Small and Medium Enterprises (MSME) growth and household consumption and if so, the details thereof;
(c) whether the Government has assessed the impact of the increase in Securities Transaction Tax (STT) collections on retail investors, small traders & market participation and whether any review of the current STT structure is under consideration, if so, the details thereof; and
(d) whether the Government proposes to strengthen tax administration by ensuring faster processing of refunds, reducing compliance burdens for salaried taxpayers, MSMEs and small businesses and improving digital tax services and if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) The details of gross direct tax collection, net direct tax collections and income tax refunds for the Financial Year 2026-27 (upto 13th July, 2026) is tabulated below:

FY 2026-27 (01.04.2026 to 13.07.2026)			
	Gross Collection (in Rs. Crores)	Refund (in Rs. Crores)	Net Collection (in Rs. Crores)
All India	7,73,912.97	1,25,837.43	6,48,075.54
Tamil Nadu	46,545.84	9,362.89	37,182.95

(b) Yes. Measures undertaken leading to increase in direct tax collections are as follows:

(i) New Form 26AS has been introduced, which contains all information of deduction or collection of tax at source, statement of financial transaction (SFT), and payment of taxes, demand and refund, pending and completed proceedings. Further, details of SFT data in the Form 26AS makes taxpayer aware about their transactions beforehand and encourages them to disclose their true income.

(ii) The facility for updating Income Tax Return has been introduced to increase ease of voluntary compliance and reduce litigation. A new sub-section (8A) is inserted in section 139, facilitating the taxpayer to be able to update his return anytime within two years from the end of the relevant assessment year. A taxpayer can file an updated return by voluntarily admitting omissions or mistakes and paying an additional tax as applicable.

(iii) The Income Tax Department receives information on financial transactions of various types from Sources/Reporting Entities. By sharing this information with the taxpayer and providing an opportunity to correct the data inaccuracies/ missing data prior to scrutiny in the e-Verification Scheme, voluntary compliance is promoted.

(iv) For bringing new tax-payers into the net of income tax department, scope of TDS/TCS was expanded by including huge cash withdrawal, foreign remittance, purchase of luxury car, e-commerce participants, sale of goods, acquisition of immovable property, remittance under LRS, purchase of overseas tour program package etc.

(v) Further, Government has taken a number of measures to improve ease of doing business and reduce compliance burden for enterprises across the country. For MSMEs, Udyam Registration Portal (URP) was launched on 01.07.2020 which is fully online, paperless and bases on self-declaration. URP has an API integration with a number of Portals of Departments including CBDT. Special drives for registration of MSMEs are undertaken by the Ministry of MSME. For those Informal Micro Enterprises (IMEs) which are exempted from GST, Udyam Assist Platform (UAP) was launched on 11th January 2023. The formalisation initiative provides ease of doing business, creates an identity for MSMEs and they become eligible to avail the benefit of various schemes, subject to eligibility criteria.

(vi) The change in definition and upward revision of threshold criteria for MSMEs has reshaped the economic landscape in the country. By transitioning to an investment and annual turnover composite criteria (further enhanced with higher limits in 2025), the Government directly facilitated the growth and expansion of MSME ecosystem.

(c) (i) Securities Transaction Tax (STT) applicable to transactions ordinarily undertaken by retail investors and small traders, such as purchase and sale of equity shares and units of business trusts involving actual delivery, has remained unchanged since the Finance Act, 2012. Similarly, the STT rate on sale of units of equity-oriented funds has remained unchanged since the Finance Act, 2013. While the STT rates on futures and options transactions were revised latest by the Finance Act, 2026, these changes primarily relate to derivatives transactions.

(ii) During FY 2025–26, NSE accounted for 91.6 per cent of the overall F&O turnover (combining futures and options premium turnover) and thus has dominant market share. Following the increase in STT w.e.f. April 1, 2026, an analysis of NSE Year on Year data indicates that total volume across all categories of market participants remained significantly higher at 16.2 per cent.

(iii) Regarding the review of the existing Securities Transaction Tax (STT) structure, there is no such proposal.

(d) Strengthening of tax administration, inter alia, by ensuring faster processing of refund and improving digital tax services is a continuous and ongoing process. The Government has taken several measures in this direction including technological upgradations, ensuring faster processing of Income Tax Returns (ITRs), strengthening associated validation rules, and informing taxpayers to address relevant shortcomings such as non-furnishing of validated bank account for refund purposes, etc.

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