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JDPro Insights September 2026 Edition

Bringing the latest regulatory updates in GST, Income Tax and more at your fingertips.

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DIRECT TAX INSIGHTS

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2. One-Time Disclosure Scheme for Foreign Assets of Small Taxpayers
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1

INCOME-TAX DEPARTMENT LAUNCHES NATIONWIDE VERIFICATION OF SUSPICIOUS FOREIGN REMITTANCES

What has happened?

The Income-tax Department has initiated a nationwide verification exercise covering approximately 394 entities, including 117 entities located in states along India's land borders, and 36 professionals in relation to suspicious foreign remittances made over the past three years.

The exercise follows data analysis and ground intelligence indicating that certain entities were remitting large amounts of money outside India despite reporting very low turnover or not filing income-tax returns at all.

Key Highlights

- The Department identified entities whose foreign remittances were significantly higher than their reported business turnover.
- In several cases, the stated purpose of remittance—such as freight payments, software imports or consulting services—did not appear consistent with the entities' actual activities.
- Ground verification indicated that some entities were not operating from the addresses declared by them, raising concerns regarding their genuineness.
- The investigation also uncovered a network involving fictitious charitable trusts allegedly providing accommodation entries against bogus donations/contributions.
- The Department found that a relatively small group of professionals had issued a large number of Form 15CB certificates, while the remittances were received by a clustered group of foreign entities.

Emphasis

- Professionals issuing Form 15CB / Form 146 should exercise appropriate care, diligence and professional judgment. The underlying transaction and relevant facts should be adequately examined before issuing the certificate.

Reference:

- To read the detailed Press Release issued by CBDT on 18 August 2026. - **Click Here**

2 ONE-TIME DISCLOSURE SCHEME FOR FOREIGN ASSETS OF SMALL TAXPAYERS

The CBDT has introduced a one-time voluntary disclosure scheme allowing eligible taxpayers to come forward and disclose certain foreign assets or foreign income that were not properly reported earlier.
In simple terms, this gives small taxpayers a limited-time opportunity to regularise certain foreign asset/income reporting defaults by paying the prescribed amount, with immunity from further tax, penalty and prosecution under the Black Money Act for the assets/income covered by the valid declaration.

Key Highlights
The Scheme covers two categories:

Category	Eligibility	Amount Payable
Undisclosed foreign Assets/Income	Aggregate FMV up to ₹1 crore	30% tax + 100% of such tax (effectively 60% of the relevant amount)
Foreign assets acquired from non-resident income or income already taxed in India but not disclosed in the return	Aggregate FMV up to ₹5 crore	Fixed fee of ₹1 lakh

FMV (Fair Market Value) for determining the applicable limit is to be considered as on **31 March 2026**.

2 ONE-TIME DISCLOSURE SCHEME FOR FOREIGN ASSETS OF SMALL TAXPAYERS

Forms prescribed under the Scheme

The disclosure process is electronic and involves four prescribed forms:

- Form 1 – Filing of declaration by the taxpayer
- Form 2 – Determination of amount payable
- Form 3 – Submission of proof of payment
- Form 4 – Certification of the declaration

Benefit for the taxpayer

If the declaration is **validly made** and the prescribed amount is paid, the taxpayer gets **immunity from further tax, penalty and prosecution** under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, in respect of the foreign asset/income covered by the declaration.

Effective From: 16 August 2026

Last Date for Declaration: 31 December 2026

Reference:

- To read the Notification issued by CBDT on 14 August 2026. - Click Here
- To read the FAQs issued by Income Tax department - Click Here

TAXATION & OTHER LAWS (AMENDMENT) ACT, 2026 — KEY DIRECT TAX REFORMS

The Taxation & Other Laws (Amendment) Act, 2026 has been enacted to formally approve the Income-tax (Amendment) Ordinance, 2026 issued in June 2026 and to introduce additional changes to the Income-tax Act, 2025 and Finance Act, 2026.

The amendments are aimed at attracting foreign investment, supporting key sectors affected by global economic conditions, encouraging India-based operations and making certain tax provisions simpler and more commercially viable.

Key amendments

- Tax exemption for foreign companies providing **capital goods, equipment or tooling** for specified electronics contract manufacturing extended till tax year 2040-41
- Tax exemption till tax year 2040-41 for foreign company storing components in **bonded warehouse in India** and subsequently supply those components to contract manufacturers producing specified electronic goods.
- Conditions attached to the tax exemption available to foreign companies procuring **data-centre services from India** have been relaxed.
- Tax exemption for foreign companies engaged in sale of rough diamonds in **notified special zones**
- Rationalization of the safe harbor framework promoting management of offshore funds from India by deletion of conditions to be satisfied by the offshore fund
- Streamlining taxation of dividend distributions by business trusts by granting a **uniform exemption** to unitholders regardless of the tax regime adopted by the underlying Special Purpose Vehicle (SPV), but with higher surcharge of 25% for SPVs opting for concessional regime

TAXATION & OTHER LAWS (AMENDMENT) ACT, 2026 — KEY DIRECT TAX REFORMS

Impact of the Amendments

- **Boost to sunrise sectors**: The tax relaxations and exemptions for foreign companies involved in Indian data-centre services, specified electronics contract manufacturing and rough-diamond trading are expected to provide greater tax certainty and encourage more foreign investment in these emerging sectors.

- **Simpler taxation for Business Trusts**: The amendments simplify the tax treatment of dividend income distributed by Business Trusts by providing a more uniform exemption to unitholders, irrespective of the tax regime chosen by the underlying SPV. However, a higher surcharge of 25% applies where the SPV opts for the concessional corporate tax regime.

- **Greater attractiveness for FPIs**: The clarification and ratification of exemptions relating to interest and capital gains earned by FPIs on Government Securities is expected to support greater foreign participation in India's Government Securities market.

- **More flexibility for offshore fund managers**: The relaxation of conditions under the safe-harbour regime for managing offshore funds from India is particularly significant. It makes it commercially easier for global fund managers to undertake fund-management activities from India while reducing concerns about creating an unintended Indian tax presence. This also brings India's framework closer to internationally accepted practices.

Reference:
- To read Taxation and Other Laws (Amendment) Act, 2026- **Click Here**
- To read the FAQs issued by the Income-tax department- **Click Here**

CORPORATE LAW INSIGHTS

1. FDI in E-Commerce – Export of Indian-Manufactured Goods Permitted Under Inventory Model
2. National Company Law Tribunal (NCLT) launches E-Inspection & E-Certified copy services

1

FOREIGN DIRECT INVESTMENT (FDI) IN E-COMMERCE – EXPORT OF INDIAN-MANUFACTURED GOODS PERMITTED UNDER INVENTORY MODEL

The Department for Promotion of Industry and Internal Trade (DPIIT) has reviewed the FDI policy for the e-commerce sector to make it easier for Indian sellers to access international markets.

The key change is that the restrictions applicable to the inventory-based e-commerce model will not apply when the goods are manufactured or produced in India and are being exported.

In simple terms:

An e-commerce company having foreign investment can now use an inventory-based model to sell Indian-manufactured or Indian-produced goods to customers outside India.

This relaxation is specifically for exports and does not mean that foreign investment is generally permitted in inventory-based B2C e-commerce within India.

Key Takeaways

- FDI continues to be permitted in B2B e-commerce and the marketplace model, subject to the applicable conditions.
- FDI remains restricted in B2C e-commerce and inventory-based e-commerce for domestic sales.
- E-commerce entities with foreign investment can undertake an inventory-based model exclusively for exporting such Indian goods.
- The exports must comply with:
  - Foreign Trade Policy, 2023, and
  - Foreign Exchange Management (Export of Goods & Services) Regulations, 2015.

Reference: To read Press Note 3 (2026) dated 23 July 2026. - **Click Here**

2

NATIONAL COMPANY LAW TRIBUNAL (NCLT) LAUNCHES E-INSPECTION & E-CERTIFIED COPY SERVICES

The NCLT has launched e-Inspection and e-Certified Copy services to provide advocates, litigants and other stakeholders with faster and more convenient online access to judicial records and certified copies.

The initiative is part of the NCLT's broader digital transformation, including its revamped website and the ongoing e-Courts 2.0 initiative.

Key Highlights

- E-Inspection: Stakeholders can electronically access and inspect judicial records, reducing the need for physical visits to the Tribunal Registry.
- E-Certified Copies: Certified copies of relevant judicial records can be obtained through an electronic process.
- The services are intended to make the NCLT Registry more accessible, transparent and technology-enabled.
- The initiative forms part of the NCLT's broader efforts to improve case management and reduce delays.
- The NCLT has also introduced a data-driven mechanism to monitor case pendency across its Benches.
- Based on workload data, cases have been redistributed and Special Benches constituted where required to make better use of available judicial resources.
- During April–June 2026, the NCLT approved 78 resolution plans, involving approximately ₹5,517.66 crore—its highest first-quarter performance since the enactment of the Insolvency and Bankruptcy Code.
- Detailed guidelines on registration and listing of cases have also been issued in consultation with the Bar Council.

Reference:

- To read the Press Release dated 12 August 2026 issued by the MCA.. - **Click Here**

COMPLIANCE CALENDARS - SEPTEMBER 2026

1. GST Compliance Calendar September 2026
2. Other Statutory Compliances Calendar September 2026

1

GST COMPLIANCE CALENDAR SEPTEMBER 2026

S.No	Particulars of Compliance	Form/Return	Period	Due Date
1	To be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST	GSTR 7	Aug 2026	10.09.2026
2	To be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST	GSTR 8	Aug 2026	10.09.2026
3	Filing of outward supplies	GSTR 1	Aug 2026	11.09.2026
4	To be filed by Non-Resident Taxpayers	GSTR 5	Aug 2026	13.09.2026
5	To be filed by Input Service Distributors	GSTR 6	Aug 2026	13.09.2026
6	Taxpayers with an annual turnover exceeding ₹ 5 Crores.	GSTR 3B	Aug 2026	20.09.2026
7	To be filed by OIDAR services provider	GSTR 5A	Aug 2026	20.09.2026
8	QRMP taxpayers (turnover ⩽ ₹5 Cr): Monthly tax payment	Form GST PMT-06	Aug 2026	25.09.2026

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OTHER STATUTORY COMPLIANCES CALENDAR SEPTEMBER 2026

S.No	Particulars of Compliance	Form/Return	Period	Due Date
1	Due date for deposit of TDS/TCS	Challan	Aug 2026	07.09.2026
2	Provident fund(PF) & ESI Payment and returns		Aug 2026	15.09.2026
3	Due date for Deposit of 2nd Installment of Advance Tax		July-Sept	15.09.2026
4	Revised annual return on Foreign Assets & Liabilities (FLA) on the basis of Audited FS		FY 2025-26	30.09.2026
5	Filing of Annual Activity Certificate (AAC) and audited financials		FY 2025-26	30.09.2026
6	Due date for Filing of Tax Audit Reports		FY 2025-26	30.09.2026

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ABOUT US

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