India's Tax Reforms: Past, Present and the Income Tax Bill, 2025 for a Viksit Bharat

This empirical study explores the historical evolution of India's Income Tax System, highlighting key reforms that have shaped the nation's fiscal landscape. It provides a comprehensive analysis of past policy changes, their impact on economic growth and how they have contributed to the vision of a 'Viksit Bharat - 2047' (Developed India). The study also examines the Income Tax Bill, 2025, outlining its intended objectives and potential implications for taxpayers, businesses, and overall economic development.

Dr. Laxmana Rao
Associate Professor
School of Commerce and Management Studies
Dayananda Sagar University, Bangalore
drlaxmanrao-scms@dsu.edu.in

INTRODUCTION

Many believe that income tax is a recent development, but historical evidence shows it existed in ancient societies. The word "tax" comes from "taxation," meaning an estimate. Early taxes were collected irregularly on goods, livestock, or trade. Around 2000 years ago, Caesar Augustus ordered a worldwide tax. In Greece, Germany and the Roman Empire, taxes were based on turnover or occupations. For centuries, tax revenue went to monarchs. In Northern England, taxes were imposed on land and property, later expanding to poll taxes and indirect duties on goods like wool and leather. These taxes funded military, civil expenses and public services such as roads and justice.

India's direct taxation system has existed in some form since ancient times. *Manusmriti* and *Arthashastra* mention various tax measures. Manu, the ancient lawgiver, stated that kings could levy taxes based on scriptures, ensuring they were fair and proportional to income and expenses. He warned against both excessive and nonexistent taxation, advising that taxes should not burden the people. Traders and artisans paid 1/5th of their profits in silver and gold, while farmers contributed 1/6th, 1/8th, or 1/10th of their produce, depending on their situation. Taxes were also imposed on entertainers like actors, dancers and singers. Payments were made in gold coins, cattle, grain, raw materials, or through personal service, showing a well-organized taxation system even in ancient India.

The present study aims to understand the historical background, structure and significance of the tax system in economic, international and social contexts while analyzing the evolution of India's tax reforms. It evaluates the current direct tax reforms, their administration, and their impact, comparing them with tax systems in developed nations.

RESEARCH METHODOLOGY

This study is descriptive in nature. It relies on secondary data from the internet, books, newspapers, and other sources. It examines tax policy, its structure, historical background, current status and international comparisons.

DISCUSSION

Kautilya (also known as Chanakya), the ancient Indian economist and political strategist, outlined his taxation principles in the *Arthashastra* (4th century BCE), emphasizing justice, efficiency and state prosperity. He believed taxation was both a moral and economic duty, ensuring the state's welfare without excessively burdening the people. His philosophy advocated moderation in taxation, comparing it to a honeybee collecting nectar—taking just enough without harming the flower—warning that excessive taxation could lead to public resentment and tax evasion. Kautilya supported a progressive taxation system where the rich paid higher taxes while the poor bore a lesser burden, promoting social equity. He also stressed the importance of diverse revenue sources, collecting taxes from agriculture, trade, imports and labor to prevent over-reliance on any single sector. Strict enforcement and penalties for tax evasion were recommended to maintain compliance and a corruption-free administration. Additionally, he advocated for flexibility in taxation, adjusting rates based on economic conditions, particularly during crises like famine or war. The revenue collected, he asserted, should be utilized for public welfare, infrastructure, defense and economic growth rather than the personal luxuries of the ruler. Kautilya's taxation philosophy remains relevant today, aligning with modern principles of progressive taxation, fair policies and efficient tax administration, while emphasizing the importance of expanding the tax base and ensuring revenue is used for development. His ideas laid the foundation for a balanced taxation system that ensures both state prosperity and citizen welfare.

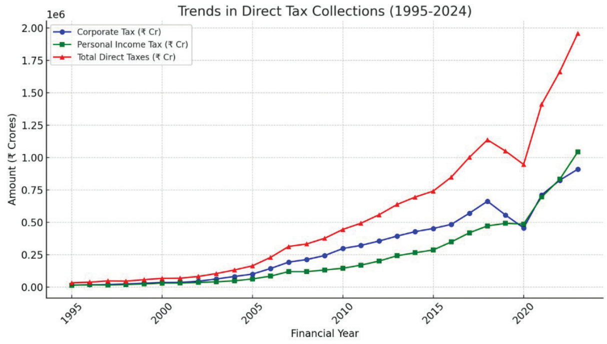
Dey, S. K. (2014) conducted a comprehensive study to evaluate the performance of the Income Tax Department of India. The study analyzed various aspects of tax collection and revenue generation over a period of time. The findings indicated a consistent upward trend in overall tax collection, reflecting the department's improved efficiency and effectiveness. Specifically, the study highlighted a significant increase in income tax collection, suggesting better compliance, enforcement measures, and possibly economic growth contributing to higher revenues. The following table presents a detailed overview of the volume of income tax collections in India over the period from 1995–96 to 2023–24. It provides a breakdown of the total tax revenue, highlighting the contributions from different categories of direct taxes. These include corporate tax, which represents taxes paid by companies on their profits; personal income tax, which accounts for taxes collected from individual taxpayers based on their earnings; and other direct taxes, which encompass various levies such as wealth tax, securities transaction tax, and other minor direct tax components. This data offers insights into the trends and growth patterns in tax revenue collection over the years.

Table 1 Income Tax collection since 1995-96

Financial Year	Corporate Tax	Personal Income Tax*	Other Direct Taxes	Total
1995-96	16,487	15,592	1485	33,564
1996-97	18,567	18,234	2094	38,895
1997-98	20,016	17,101	11163	48,280
1998-99	24,529	20,240	1831	46,600
1999-00	30,692	25,655	1612	57,959
2000-01	35,696	31,764	845	68,305
2001-02	36,609	32,004	585	69,198
2002-03	46,172	36,866	50	83,088
2003-04	63,562	41,386	140	1,05,088
2004-05	82,680	49,268	823	1,32,771
2005-06	1,01,277	63,689	250	1,65,216
2006-07	1,44,318	85,623	240	2,30,181
2007-08	1,93,561	1,20,429	340	3,14,330
2008-09	2,13,395	1,20,034	389	3,33,818
2009-10	2,44,725	1,32,833	505	3,78,063
2010-11	2,98,688	1,46,258	1,049	4,45,995
2011-12	3,22,816	1,70,181	990	4,93,987
2012-13	3,56,326	2,01,840	823	5,58,989
2013-14	3,94,678	2,42,888	1,030	6,38,596
2014-15	4,28,925	2,65,772	1,095	6,95,792
2015-16	4,53,228	2,87,637	1,079	7,41,945
2016-17	4,84,924	3,49,503	15,286	8,49,713
2017-18*	5,71,202	4,20,084	11,452	10,02,738
2018-19*	6,63,572	4,73,179	967	11,37,718
2019-20*	5,56,876	4,92,717	1,088	10,50,681
2020-21*	4,57,719	4,87,560	1,897	9,47,176
2021-22*	7,12,037	6,96,604	3,781	14,12,422
2022-23	8,25,834	8,33,307	4,545	16,63,686
2023-24*	9,11,055	10,45,139	3,972	19,60,166

Source: Ministry of Finance, Government of India

Graph – I



Source: Ministry of Finance Government of India

Here are some key insights and calculations based on the provided data:

1. **Growth in Total Direct Taxes Over Time**

   - In **1995-96**, the total direct taxes collected were **₹33,564 crores**.
   - By **2023-24**, the total reached **₹19,60,166 crores**.
   - This represents an **increase of approximately 57 times** over 28 years.

2. **Yearly Growth Rates**

   Let's compute the **CAGR (Compound Annual Growth Rate)** for total direct taxes:

   - **Final Value** = 19,60,166 (2023-24)
   - **Initial Value** = 33,564 (1995-96)
   - **n** = 28 years

$$\text{CAGR} = \left(\frac{\textit{Final Value}}{\textit{Initial Value}}\right) \wedge \frac{1}{n} = =\left(\frac{19{,}60{,}166}{33{,}564}\right) \wedge \frac{1}{28} = 15.63\%$$

The **Compound Annual Growth Rate (CAGR)** for total direct taxes from 1995-96 to 2023-24 is approximately **15.63% per year**.

3. **Corporate Tax vs. Personal Income Tax**

   - In **1995-96**, corporate tax (₹16,487 Cr) was slightly higher than personal income tax (₹15,592 Cr).
   - By **2023-24**, corporate tax (₹9,11,055 Cr) and personal income tax (₹10,45,139 Cr) showed a reversal, with **personal income tax surpassing corporate tax**.
   - This indicates **faster growth in personal income tax collections**, possibly due to increased formalization of the economy and higher individual earnings.

Table 2 Direct Tax collection to GDP Ratio

Financial Year	Gross Collections of Direct Taxes (₹Cr)	Net Collections of Direct Taxes (₹ Cr)	GDP at Current Market Prices (₹ Cr)	GDP Growth Rate (%)	Direct Tax to GDP Ratio (%)	Direct Tax Growth Rate (%)
2012-13	5,58,987	3,91,006	99,44,013	13.80%	3.93%	17.72%
2013-14	6,38,542	4,60,300	1,12,33,522	12.97%	4.10%	7.05%
2014-15	6,95,743	4,92,755	1,24,67,959	10.99%	3.95%	-4.37%
2015-16	7,41,944	4,71,226	1,37,71,874	10.46%	3.42%	9.92%
2016-17	8,49,712	5,17,995	1,53,91,669	11.76%	3.37%	20.00%
2017-18	10,02,036	6,21,601	1,70,90,042	11.03%	3.64%	8.63%
2018-19	11,36,614	6,75,253	1,88,99,668	10.59%	3.57%	-3.18%
2019-20	10,49,294	6,53,754	2,00,74,856	6.22%	3.26%	-11.15%
2020-21	9,44,873	5,80,886	1,98,00,914	-1.36%	2.93%	39.24%
2021-22 RE	12,50,000	8,08,800	2,32,14,703	17.24%	3.48%	13.59%
2022-23 BE	14,20,000	9,18,754	2,58,00,000	11.14%	3.56%	-

Source: Ministry of Finance Government of India

The analysis of direct tax collection in relation to GDP is conducted to assess the overall efficiency and contribution of direct taxes to the national economy. To present a clear and comprehensive understanding, four key graphical representations have been used:

Graph 2

Source: Ministry of Finance Government of India

1. **Gross vs. Net Tax Collections** – This graph illustrates the difference between total tax revenue collected before refunds (gross tax collection) and the actual revenue retained by the government after refunds (net tax collection). It helps in understanding tax administration efficiency and refund trends over the years.

2. **Direct Tax to GDP Trend** – This graph showcases the proportion of direct tax revenue as a percentage of GDP over time. It reflects the effectiveness of the tax system in mobilizing resources relative to economic growth and highlights trends in direct tax contribution to national income.

3. **Direct Tax Growth Rate** – This graph depicts the annual percentage change in direct tax collection, providing insights into the consistency and fluctuations in tax revenue growth. It helps identify patterns, economic cycles, and the impact of policy changes on tax collection.

4. **GDP Trend (Current Market Prices)** – This graph presents the growth trajectory of the Gross Domestic Product (GDP) at current market prices, indicating overall economic expansion. It serves as a reference to assess whether direct tax collection growth aligns with or diverges from the broader economic growth trend. These visualizations collectively provide a detailed perspective on direct tax collection dynamics, offering valuable insights into the relationship between taxation policies and economic performance.

The Analysis of the Graphs presented above is as given below:

1. **Gross vs. Net Direct Tax Collections:** Both gross and net collections show an increasing trend, with a dip in 2019-20 and 2020-21, likely due to economic slowdown and COVID-19 impact. 2021-22 and 2022-23 show a sharp recovery, with collections reaching new highs.

2. **Direct Tax to GDP Ratio:** The ratio peaked at 4.10% in 2013-14, but declined to 2.93% in 2020-21 due to reduced collections and GDP contraction. The ratio recovered in 2021-22 and 2022-23, showing improved tax revenue efficiency.

3. **Yearly Direct Tax Growth Rate:** The highest growth was 39.24% in 2020-21, after a sharp decline in the previous years. 2018-19 and 2019-20 show negative growth, indicating challenges in tax collection. Post-pandemic recovery in 2021-22 helped bring double-digit growth again.

4. **GDP Trend (Current Market Prices):** GDP has shown consistent growth, except in 2020-21, where it contracted due to the pandemic. Strong recovery in 2021-22 and 2022-23, supporting improved tax collections. These trends highlight how economic conditions, policy changes, and external factors (like COVID-19) impact direct tax revenues.

Further Analysis and Comparisons of Direct Tax Trends (2012-13 to 2022-23)

1. **Yearly Growth in Direct Tax Collections (Gross vs Net):** Gross Direct Tax Collections grew from ₹5,58,987 Cr in 2012-13 to ₹14,20,000 Cr in 2022-23, marking a 154% increase over 11 years. Net Direct Tax Collections increased from ₹3,91,006 Cr to ₹9,18,754 Cr in the same period, showing a 135% growth. The net collection is lower than gross collection due to tax refunds and adjustments. The impact of COVID-19 (2019-20 & 2020-21) is visible in the net collections, with a sharp decline followed by a strong rebound in 2021-22.
2. **Direct Tax to GDP Ratio Analysis:** The highest Direct Tax to GDP ratio was 4.10% in 2013-14, indicating strong tax compliance and revenue generation. The ratio declined to 2.93% in 2020-21, the lowest in the dataset, due to the economic downturn. The post-pandemic recovery in 2021-22 saw a rise to 3.48%, and it further improved to 3.56% in 2022-23.

Comparison of GDP Growth vs. Direct Tax Growth was inconsistent, showing negative growth in 2014-15, 2018-19, and 2019-20, which coincides with GDP slowdowns. In 2020-21, GDP contracted (-1.36%), but direct tax revenue grew by 39.24%, indicating increased tax enforcement or economic resilience in high-income sectors. 2021-22 saw the highest GDP growth (17.24%), boosting tax revenues significantly.

KEY OBSERVATIONS FROM THE GRAPHS

- **Economic Slowdowns Reduce Tax Revenues:** The 2019-20 and 2020-21 dip in direct tax collection corresponds with lower GDP growth. In contrast, when GDP rebounded in 2021-22, tax collections also surged.
- **Corporate vs. Personal Income Tax Trends:** Historically, corporate tax dominated direct tax revenues, but in recent years, personal income tax has grown at a faster rate. This indicates a widening taxpayer base and more compliance in personal taxation.
- **Strong Recovery Post-COVID-19:** The 2021-22 and 2022-23 figures show a significant jump, proving that tax revenues recover quickly after economic shocks.

REFORM OF DIRECT TAXES

Until the mid-1970s, personal income tax was used for economic redistribution. In 1973–74, there were 11 tax brackets, with rates ranging from 10% to 85%. With a 15% surcharge, the highest tax rate reached 97.5% for incomes above ₹2,00,000. Reforming direct taxation is crucial for economic growth, equity, and revenue efficiency. Direct taxes, such as income tax and corporate tax, significantly impact investment, consumption, and economic stability. Key reasons for direct tax reforms include:

- **Enhancing Economic Growth** – Efficient direct tax reforms create a favorable investment climate by reducing tax burdens and improving compliance (OECD, 2021). Lower corporate tax rates encourage business expansion, leading to job creation and higher productivity (Gupta & Jha, 2020).
- **Improving Tax Compliance and Administration** – Simplified tax structures reduce evasion and increase voluntary compliance. Countries with lower and rationalized tax rates tend to have higher tax compliance levels (Bird & Zolt, 2014). Digitization and tax automation further strengthen transparency and revenue collection (World Bank, 2022).
- **Ensuring Equity and Fairness** – Progressive taxation ensures wealth redistribution, reducing income inequality (Atkinson & Stiglitz, 2015). Well-structured tax reforms prevent excessive burdens on lower-income groups while ensuring high-income earners contribute fairly (Piketty, 2014).
- **Broadening the Tax Base** – Expanding the tax base reduces dependency on indirect taxes and prevents over-reliance on a narrow taxpayer segment. Studies indicate that tax base broadening enhances revenue without increasing tax rates (Jain, 2018).
- **Boosting Foreign Investment and Competitiveness** – Competitive corporate tax rates attract foreign direct investment (FDI), fostering industrial growth and economic integration (UNCTAD, 2021). Countries with streamlined tax systems experience higher capital inflows (Desai, Foley & Hines, 2009).
- **Strengthening Fiscal Stability** – Direct tax reforms contribute to stable government revenues, reducing fiscal deficits and dependency on borrowing (IMF, 2020). Sustainable tax policies ensure long-term economic resilience against financial shocks.

Direct tax reforms are essential for promoting economic efficiency, equity, and growth. By ensuring a fair and

Table 3: Comparative Insights

Metric	Best Year	Worst Year	Trend
Gross Tax Growth	2021-22 (₹12,50,000 Cr)	2020-21 (₹9,44,873 Cr)	Strong Post-Pandemic Recovery
Net Tax Growth	2021-22 (₹8,08,800 Cr)	2019-20 (₹6,53,754 Cr)	Decline Before COVID-19
GDP Growth Rate	2021-22 (17.24%)	2020-21 (-1.36%)	Sharp Recovery Post-COVID
Direct Tax to GDP Ratio	2013-14 (4.10%)	2020-21 (2.93%)	Declined & Recovered

Source: Ministry of Finance Government of India transparent taxation system, governments can enhance compliance, attract investment, and achieve sustainable development. Continuous modernization and policy improvements remain crucial in adapting to evolving economic landscapes.

After 1991, tax rates were simplified. By 1992–93, there were three slabs (20%, 30%, and 40%), and by 1997–98, they were further reduced to 10%, 20%, and 30%. The wealth tax's highest rate was also cut to 1%.

In corporate taxation, the distinction between closely and broadly held companies was removed. In 1993–94, the company tax rate was unified at 40%, later reduced to 35% in 1997–98. The dividend tax policy also changed multiple times—first levied on corporations, then shifted to shareholders in 2000–01, and later reinstated for corporations in 2003–04.

Some companies, known as "zero-tax businesses," avoided taxes using investment allowances and other deductions. To address this, the Minimum Alternate Tax (MAT) was introduced in 1997–98, taxing companies based on their "Book Profits." However, businesses paying MAT were allowed to deduct it from future tax liabilities.

India's long-awaited tax reforms aim to ease taxpayer difficulties and expand the tax base through faceless assessments, appeals, and a taxpayer charter. Ideally, a tax system should be simple, efficient, and transparent. However, conflicts between taxpayers and tax officials have persisted, with unexpected tax demands and retrospective amendments creating fears of "tax terrorism."

> The reform follows three core principles of using clearer language for better readability, continuity by avoiding major tax policy changes and preserving predictability by keeping tax rates unchanged.

To address this, the government introduced a digital system eliminating physical interactions in tax assessments and appeals. Clearly defining responsibilities for both taxpayers and officials can help reduce disputes if initial concerns and challenges are properly addressed.

HISTORICAL MILESTONES OF INDIAN INCOME TAX REFORMS

The history of income tax in India dates back to 1860 when Sir James Wilson introduced it to address the financial crisis caused by the 1857 Revolt. The first Income Tax Act was enacted in 1886, establishing the framework for taxation. In 1918, a new Income Tax Act was introduced but was soon replaced by the 1922 Act, which governed taxation in British India until 1961. The Income Tax Investigation Commission in 1956 recommended reforms to curb tax evasion and enhance revenue collection. The Income Tax Act, 1961, which came into effect on April 1, 1962, replaced the 1922 Act, incorporating new principles and administrative reforms. During 1973–74, personal income tax rates were extremely high, with 11 slabs ranging from 10% to 85%, along with a 15% surcharge, leading to a maximum marginal tax rate of 97.5%. In 1985, the introduction of Tax Deducted at Source (TDS) strengthened tax compliance. The economic liberalization of 1991, streamlined tax rates, reducing the highest income tax rate from 56% to 40% by rationalizing corporate tax rates. In 1997–98, tax structure simplifications reduced income tax slabs to three (10%, 20%, and 30%), wealth tax to 1%, and corporate tax to 35%. The introduction of Fringe Benefit Tax (FBT) and Securities Transaction Tax (STT) in 2004 aimed at taxing non-monetary benefits and stock market transactions. The 2016 Income Declaration Scheme provided a window for declaring undisclosed income, while demonetization curbed black money and improved compliance. In 2019, corporate tax was reduced to 22% for domestic firms and 15% for new manufacturing firms, and the Faceless Assessment Scheme (FAS) was introduced to eliminate taxpayer-officer interaction. The Vivad Se Vishwas (VSV) Scheme of 2020 aimed at resolving tax disputes through an amnesty program. In 2023, a new income tax regime was introduced, offering lower tax rates without exemptions as an alternative to the existing system. Looking ahead, the Direct Tax Code (DTC) is expected to simplify and modernize tax laws, with advancements in digitalization and AI-driven tax compliance. These reforms have significantly shaped India's tax system, making it more transparent, efficient, and growth-oriented.

'Viksit Bharat-2047' is India's vision to become a developed nation by 2047, marking 100 years of independence. It focuses on economic growth, social progress, environmental sustainability, and good governance. At its core is the PM's Panch Pran, with Viksit Bharat as a key commitment. The vision rests on four pillars: Yuva (Youth), Garib (Poor), Mahila (Women), and Kisan (Farmers). Beyond material progress, true development must bring happiness, as growth alone is meaningless if people are not truly content. Achieving this goal requires robust economic growth, infrastructure development, social welfare programs, and technological advancements—all of which depend on strong fiscal policies and effective income tax administration. Here's how income tax is linked to Viksit Bharat initiatives:

- Revenue Generation for Development
- Tax Reforms for Economic Growth
- Reducing Inequality & Promoting Social Welfare
- Digitalization & Ease of Doing Business
- Encouraging Compliance & Expanding the Tax Base

A well-structured and efficient income tax system is a key driver of economic growth, social development, and financial stability, aligning with the goals of Viksit Bharat. By increasing tax revenue, improving compliance, and funding large-scale projects, income tax plays a crucial role in transforming India into a developed nation by 2047.

INCOME TAX BILL, 2025

The study of Rao M and Sengupta R (2021) reveals that, Ambiguity in tax laws is a major cause of litigation in India, as unclear provisions lead to multiple interpretations and disputes between taxpayers and tax authorities. The Income Tax Bill, 2025, introduced in Parliament on February 13, 2025, aims to simplify the language and structure of the Income Tax Act, 1961 while maintaining policy stability. The reform follows three core principles: a) using clearer language for better readability, b) ensuring continuity by avoiding major tax policy changes and, c) preserving predictability by keeping tax rates unchanged. The simplification process involved eliminating complex and redundant provisions, enhancing readability, and logically restructuring sections for easier navigation. To ensure a well-rounded approach, the government engaged in extensive consultations with taxpayers, businesses, industry associations, and tax professionals, reviewing 20,976 online suggestions and incorporating relevant inputs. Additionally, best practices from Australia and the UK were studied to enhance the effectiveness of the revisions. As a result, the new Income Tax Bill, 2025 is now more concise, streamlined, and user-friendly, improving accessibility for taxpayers and professionals alike. The number of words has been reduced from 512,535 to 259,676, eliminating 252,859 unnecessary words. Similarly, chapters have been reduced from 47 to 23 and sections from 819 to 536, ensuring a more structured and navigable framework. Tables have increased from 18 to 57, and formulae from 6 to 46, improving clarity and readability.

Key improvements include simplified language, consolidation of amendments, and the removal of outdated provisions, making the law more accessible. The use of tables and formulae enhances structural clarity, while existing taxation principles remain intact to ensure policy continuity. Overall, the Income Tax Bill, 2025 demonstrates the government's commitment to improving the ease of doing business by creating a simpler, clearer, and more efficient tax framework.

CONCLUSION

Simplifying the tax structure, expanding the tax base, improving compliance, and aligning with global best practices can boost investment, increase revenue, and promote fair economic growth.

High tax rates on capital gains discourage savings and investment. Lowering these rates is seen as a positive step, though broader tax reforms are needed. While the benefits of reducing capital gains tax should not be overstated, they could significantly impact long-term growth.

Following demonetization, India introduced several tax changes. Direct tax reforms have played a key role in sustainable development by supporting social justice, environmental sustainability, and economic progress. To achieve inclusive and sustainable growth, tax policies must align with long-term development goals.

India's direct tax reforms aim to ease taxpayer difficulties and expand the tax base through faceless assessments, appeals, and a taxpayer charter.

REFERENCES:

i. *Atkinson, A. B., & Stiglitz, J. E. (2015). Lectures on Public Economics. Princeton University Press.*

ii. *Bird, R. M., & Zolt, E. M. (2014). Taxation and Inequality in the Developing World. Journal of Economic Perspectives.*

iii. *Chandra, S., & Muchan, B. (2025). Significance of Tax Reforms as a Solution of Economic Problems. In Assessing Policy Landscapes in Taxation Dynamics (pp. 271-300). IGI Global.*

iv. *Deb, R. (2024). Tax Administration Reform: End of Tax Disputes in India?. MDIM JOURNAL OF MANAGEMENT REVIEW AND, 46.*

v. *Desai, M. A., Foley, C. F., & Hines, J. R. (2009). Domestic Effects of the Foreign Activities of US Multinationals. American Economic Journal: Economic Policy.*

vi. *Dey, S. K. (2014). Income tax department of India: A summary assessment. Research Journal of Finance and Accounting, 5(15), 118-127.*

vii. *Government of India Ministry of finance*

viii. *Gupta, S., & Jha, R. (2020). Tax Reforms and Economic Growth in Emerging Markets. Economic Modelling.*

ix. *International Monetary Fund (IMF). (2020). Tax Policy for Inclusive Growth.*

x. *Jain, A. (2018). Expanding the Tax Base for Sustainable Development. Economic Policy Review.*

xi. *Khatri, S. B., & Rajput, A. V. Navigating Change: Reforming India's Direct Tax System for Economic Growth.*

xii. *Organisation for Economic Co-operation and Development (OECD). (2021). Tax Policy Reforms in OECD Countries.*

xiii. *Paying Taxes 2020*

xiv. *Piketty, T. (2014). Capital in the Twenty-First Century. Harvard University Press.*

xv. *Rao, M. & Sengupta, R. (2021). "Complexity and Ambiguity in Indian Tax Laws: An Analysis of Litigation Trends." Economic & Political Weekly, 56(4), 27-35.*

xvi. *The World Bank's Paying Taxes Study Report, 2020 ranked India at 115th, indicating poor tax compliance, albeit the rank improved compared to 2019 (PWC, World Bank Group, 2020).*

xvii. *Union Finance Accounts of respective years and reports of C&AG/Receipt Budget upto 2016-17.*

xviii. *United Nations Conference on Trade and Development (UNCTAD). (2021). World Investment Report.*

xix. *World Bank. (2022). Digital Tax Administration for Developing Economies.*

❐