

Punjab's Tax Revenue Jumps with 32% GST Growth in July



Punjab has reported a significant increase in its tax revenue, with Goods and Services Tax (GST) collections seeing a robust 32.08% net growth in July 2025 compared to the same period last year. The announcement was made by Punjab's Finance, Planning, Excise, and Taxation Minister, Harpal Singh Cheema, who highlighted this as a part of a consistent upward trend in the state's fiscal performance. This surge is a result of improved tax administration, stricter enforcement measures, and a business environment that encourages compliance.

The net GST revenue for Punjab in July 2025 amounted to \$283.4 million (₹2,357.78 crore), a substantial jump from the \$214.7 million (₹1,785.07 crore) collected in July 2024. The state's consistent growth trajectory is further supported by the year-to-date figures. As of July in the current financial year, net GST revenue has reached \$1.1 billion (₹9,188.18 crore), marking an increase of over \$243 million (₹2,025.36 crore) from the \$861 million (₹7,162.82 crore) collected during the same period in the 2024-25 fiscal year.

This impressive performance has been attributed to the proactive measures taken by the state's taxation department. The State Investigation and Preventive Unit (SIPU) has been instrumental in curbing tax evasion. According to a statement from Minister Cheema, the unit recovered over \$18.8 million (₹156.40 crore) in penalties during the first quarter of the 2025-26 fiscal year through a combination of road checks and inspections. Furthermore, SIPU uncovered two major GST fraud cases involving fake transactions and an estimated tax evasion of over \$35.6 million (₹296.32 crore). These enforcement actions have underscored the state's commitment to creating a transparent and equitable tax system.

The strong tax revenue growth positions Punjab as a leading performer in tax mobilization among Indian states. While national GST collections also saw a 7.5% rise, Punjab's growth rate significantly outpaced the national average. This financial milestone not only reflects economic resilience but also highlights the effectiveness of the state's policies in fostering a business-friendly climate that supports growth while ensuring fair contributions from all stakeholders. Moving forward, continued enforcement and technological solutions are expected to play a key role in sustaining this positive trend.