



A STUDY ON TAX PAYER SATISFACTION IN GOODS AND SERVICE TAXAT THENI DISTRICT

Mrs.G.MAHALAKSHMI

*Head & Assistant professor, Department of commerce,
Nadar Saraswathi College of arts & science, Theni.*

M.DIVYA DEVI

*M.Phil Scholar, Department of commerce,
Nadar Saraswathi College of arts & science, Theni.*

ABSTRACT

Goods and Service Tax is defined as the Giant Indirect Tax. The structure was designed for support and enhances the economic growth of a country. As of now 150 countries have implemented GST so far. However, the idea of GST in India was mooted by Vajpayee government in 2000 and the constitutional amendment for the same was passed by the Loksabha on 6th May 2015 and it was to be ratified by the Rajyasabha. However, there is a huge for and against its implementation. Finally it was successfully implemented on 1 st July 2017. It would be interesting to understand the regime of GST which hamper the growth and development of the country.

Keyword: - *Goods and Service Tax. Economy. Growth of GST.*

INTRODUCTION

The present structure of indirect taxes is very complex in india. There are so many types of taxes that are levied by the central and state governments on goods and services. As of today some of these taxes are levied by the central government and some are by the state governments. It has been long pending issue to streamline all the different types of Indirect taxes and implements a “Single taxation” system. This system is called as Goods & Service Tax (GST). The main expectation from this system is to abolish all indirect taxes and only

GST would be levied. As the name suggests, the GST will be levied both on Goods and Services.

GOODS & SERVICES TAX (GST)

GST was first introduced during 2007-2008 budget session. On 17th December 2014, the current Union Cabinet ministry approved the proposal for introduction GST Constitutional Amendment Bill. On 19th December 2014, the bill was presented on GST in Loksabha. The Bill will be tabled and taken up for discussion during the coming Budget session. The current central government is very determined to implement GST Constitutional Amendment Bill. GST is a tax that we need to pay on supply of goods & services. Any person, who is providing or supplying goods & services, is liable to charge GST.

OBJECTIVES OF THE STUDY

The Objectives of the study are as follows:

1. To Understanding the features of GST.
2. To gain an in-depth understanding GST taxation system evolution.
3. To evaluate the advantages and challenges surrounding GST.

RESEARCH METHODOLOGY

The study is based on both primary and secondary data. The primary data has been collected from 125 Respondents through well-structured questionnaire by adopting convenience sampling technique. The secondary data about GST has been gathered from websites. Percentage analysis has been used to analyse the primary data.

APPLICABILITY OF GST

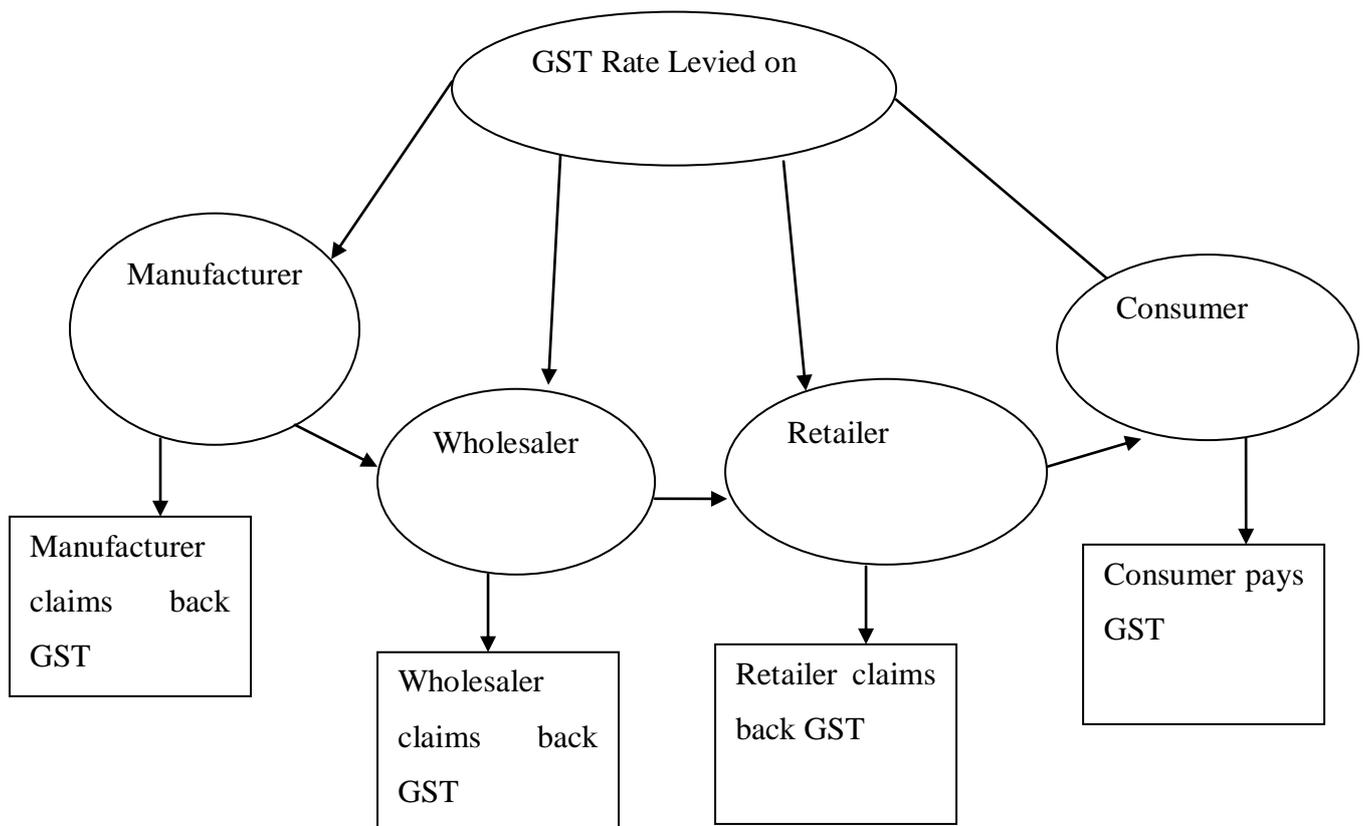
GST is a consumption based tax/levy. It is based on the “Destination principle”. GST is applied on goods and services at the place where final/actual consumption happens. GST is collected on value added goods and services at each stage of sale or purchase in the supply chain. GST paid on the procurement of goods and services can be set off against that payable on the supply of goods and services. The manufacturer or wholesaler or retailer will pay the applicable GST rate but will claim back through tax credit mechanism.

But being the last person in the supply chain, the end consumer has to bear this tax and so, in many respects. GST is like a last point retail tax. GST is going to be collected at point of sale.

- (I) **Central GST:** GST to be levied by the Centre.
- (II) **State GST:** GST to be levied by the States.
- (III) **Dual GST:** GST to be levied by the centre and the states concurrently.

The GST is an indirect tax which means that the tax is passed on till the last stage where in it is the customer of the goods and services who bears the tax. This is the case even today for all indirect taxes but the difference under the GST is that with streamlining of the multiple taxes the final cost to the customer will come out to be lower on the elimination of double charging in the system.

Applicability and mechanism of GST



FEATURES OF GOODS & SERVICE TAX

The features of goods and services tax are follows:

Simplicity for tax payers

The Process of filing of tax returns and payment of tax should be simple and uniform and should be independent of taxpayer’s location and size of business. In addition, the compliance process should not place any undue on the taxpayer and should be an integral part of his business process.

Respect autonomy of states

The design of the IT system should respect the constitutional autonomy of the states. Several business processes will be re engineered as a new IT system for GST is put into place. There should be no dilution of the autonomy of states as a result of the IT System, or the re-engineering. On the contrary, it should strengthen the autonomy of states. This is a key factor in the design of the IT system presented in the rest of this document.

Uniformity of policy administration

The business processes surrounding GST need to be standardized. Uniformity of policy administration across states and centre will lead to a better taxpayer experience, and cut down costs of compliance as well as tax administration.

Reduce leakages

A fully electronic GST can dramatically increase tax collections by reducing leakages, tools such as matching the input tax credit, data mining and pattern detection will deter tax evasion and thus increase collections.

Leverage existing investments

Existing IT investments of states should be levered. The mission mode project on commercial tax should be aligned with the GST implementation going forward.

BENEFITS OF GST BILL IMPLEMENTATION

The benefits of implementation of GST bill are as follows:

- The tax structure will be made lean and simple.
- The suppliers, manufacturers, wholesalers and retailers are able to recover GST.
- It can bring more transparency and better compliance.
- Companies which are under unorganized sector will come under tax regime.
- In the long run, the lower tax burden could translate into lower prices on goods for consumers.

CHALLENGES FOR IMPLEMENTING GOODS & SERVICES TAX SYSTEM

The challenges faced by the government regarding the implementation of GST are as follows:

- The bill is yet to be tabled and passed in the parliament.
- The implement the bill (if cleared by the parliament) there has to be lot changes at administration level, information technology integration has to happen, sound IT infrastructure is needed, the state governments has to be compensated for the loss of revenues and many more.

LATEST UPDATE OF GST TAX RATE

- **Zero tax rate:** There won't be any tax on almost 50% of items in the consumer price index basket, including grains used by the common man.
- **5% Tax Slab:** This is applicable on items of mass consumption used by common people.
- There would be two standard rates of **12% and 18%** under the GST regime.
- All the items which are now taxed at around 30% will fall under **28% GST Rate Slab.**

FINDINGS OF THE STUDY

The findings of the study are as follows:

Out of 100 respondents,

- a) 77 (61.6%) are male
- b) 59(47.2%) are in the age group of 30-40 years.
- c) 63(50.4%) are employees.
- d) 56(44.8%) have earned a monthly income of below Rs.10,000
- e) 47(37.6%) have spend Rs.4, 000-6,000/- for consumption of goods and services.
- f) 68(54.5%) said that GST influenced their purchase behaviour.
- g) Out of 68 respondents,
 - i. 59 (86.76%) consume less due to GST.
 - ii. 26(38.24%) said that their luxurious goods consumption is affected.
- h) 87(69.6%) do not support GST
 - i. Out of 87 respondents,61(70.11%) felt that GST increase the price of goods and services.
- i) 38(40.4%) support GST
 - i. Out of 38 respondents, 12 felt that GST brings stable income to the Government.

SUGGESTION

-  Avoid burden
-  Reduce the Time waste
-  Minimized the filing return work
-  Expanding the rebate values

CONCLUSION

GST would bring in significant change in doing business in India. Advocacy for best practices, gearing up for changes in processes, training teams and developing IT systems for being GST complaint are the key areas to be assessed. The government is committed to introduce GST by April 2017. Tax payers need to be GST complaint to be able to test system change in time. Finally respondents are like a GST but it isn't over burden for our people and overall economic growth and people living style also increased.

REFERENCE

1. Ajay Kumar, Kankipati, and Kankipati Ajay Kumar., „A Journey of Goods and Services Tax (GST) and Structural Impact of GST on the Growth of GDP in India“, *Advances in Sciences and Humanities*, Vol. 3(5), 2017, p. 50. [English]
2. Cnossen, Sijbren., „Preparing the Way for a Modern GST in India“, *International Tax and Public Finance*, Vol. 20,(4), 2013, pp. 715–723. [English]
3. Kharde, S. D., „IMPACT OF GST ON INDIAN AUTOMOBILE INDUSTRY“, *Journal of Emerging Technologies and Innovative Research*, Vol. 4(11), 2017, pp.23-27. [English]
4. Mathew, Joe C., „India's GST among the Most Complex Globally, Simplification Key to Its Success: World Bank Report“, *Business Today*, 16 Mar. 2018. [English]
5. Mukherjee, Sharmistha., „Small-Car Buyers Will Have to Shell out More under GST, SUVs to Cost Less“, *The Economic Times*, 19 May 2017. [English]
6. Narayanan G., Badri, and Vashisht, Pankaj. „Determinants of Competitiveness of the Indian Auto Industry“, *Working Paper*, 2008 [English]
7. Sharma, Amit., „Impact of Goods and Services Tax (GST) on Indian Economy“, *Journal of Business Management & Quality Assurance*, Vol. 2(1), June 2018, pp. 15–23. [English]
8. Dr. Lakshmi T and Rajeshkumar S “In Vitro Evaluation of Anticariogenic Activity of Acacia Catechu against Selected Microbes”, *International Research Journal of Multidisciplinary Science & Technology*, Volume No. 3 , Issue No. 3, P.No 20-25, March 2018.
9. Trishala A , Lakshmi T and Rajeshkumar S, “ Physicochemical profile of Acacia catechu bark extract –An In vitro study”, *International Research Journal of Multidisciplinary Science & Technology*, Volume No. 3 , Issue No. 4, P.No 26-30, April 2018.