

AWARENESS ON GST (GOODS AND SERVICE TAX) AMONG GENERAL PUBLIC IN THIRUVANANTHAPURAM DISTRICT

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Abstract

Goods and Service Tax is something that the general public is dealing with on their daily lives. Therefore, their awareness and satisfaction are analysed in this work. The data were collected from both primary and secondary source and the respondents were selected using convenient sampling among respondents in Thiruvananthapuram District. The study explains that there is difference in the awareness on the basis of gender and educational qualification and no difference on the basis of age. It also reveals that level of satisfaction on Price of products after GST has association with age.

Key words: GST, general public, awareness, satisfaction.

Introduction

India has witnessed various changes in its taxation structure, both direct and indirect tax. Every year the budget brings new amendments into the taxation system. The indirect tax system in our country has also witness several changes. The first set of reforms started from the post independent period during the year 1953-54 regarding the use of sales tax and levy on interstate sales. The country witnessed a major change in the indirect tax system during the year 2017 which was the introduction of GST.

Since GST is an indirect tax the incidence or burden of can be transferred from one person to another. Following this, the ultimate tax payer of indirect tax is the general public who purchase those goods. They pay GST along with the goods purchased and services availed. These taxes

are added along with the tax invoice issued to them. The invoice clearly classifies between SGST, CGST and IGST and the amount to be paid by the customer.

Statement of the problem

The GST's aim is to bring a common market for the entire nation. GST's implementation in India has effect on the traders, manufactures and service providers and customers. The changes in the indirect taxes affect the end customers largely which is the general public, as they are the ultimate bearers of these taxes. An introduction of this new indirect tax will certainly have impact on the of products purchased or services availed by them. The major change occurred in price of the goods and services. Higher the taxes imposed more will be cost of these items and visa vera. These are likely to have impact on the publics living status and spending habits, Therefore, it is necessary to know how aware the general public is regarding the Goods and service Tax and whether they are satisfied with it.

Scope of the study

GST is an important matter of concern for all sectors of the economy. The scope of this study explains how aware and satisfied are the general public on Goods and Service Tax introduced by the Government. The study tries to cover the awareness and satisfaction of the general public on both goods and services covered under GST. The general public here is the customers who purchases the goods covered under GST and utilises service availed under GST. The study is confined to Thiruvananthapuram District in Kerala.

Review of literature

- Dey, Sanjeeb Kumar et al. (2020) in the paper "Impact of Goods and Services Tax (GST) on Customer's Perception in Odisha: An Empirical Study" analysed the impact of GST on customers perception and is studied with the help of questionnaire. The data was collected from different districts on Odisha and the sample size was limited to 401 respondents. It concluded that majority of the customers know about GST. They got this information from mainly through new and electronic media and also opined that customer's education, occupation and location have a significant impact on determining their perception of pricing, expenditures and consumption with the introduction of GST.

- Kumar, Krishan (2017) in the article “A Study on Customers Perception Towards GST (Goods and Service Tax)” studied the customers view and perception regarding GST and observed that majority of the customers strongly agreed to the statement that GST is a good tax reform in India and also agreed that GST increased the burden of tax on common people. It also highlighted that government should make more steps to create more awareness about GST among the customers.

Objectives

- 1) To know if the general public is aware about GST.
- 2) To know if they are satisfied with the implementation of GST.

Hypothesis

H₀: There is no significant difference between awareness and demographic profile.

H₀: There is no association between satisfaction and age.

Research methodology

The research methodology of the present study is given below in detail.

Primary data: primary data for the study was collected through a well structured questionnaire. 100 respondents were selected using convenient sampling technique. The respondents were the general public from Thiruvananthapuram district. For analysing the data Kruskal Wallis test and Kendall 's tau_b tests were used in SPSS.

Secondary data: secondary data was collected from already published government articles and other journals and articles.

Data analysis and interpretation

The data collected is analysed and is shown in the below tables:

Table 1 Awareness and Age

variable	age	mean rank	chi-square	sig.
awareness	below 30	49.38	1.202	0.753
	30-40	54.89		

	41-50	46.78		
	above 50	52.06		

Source: primary data

The above table 1 shows that there is no significant difference between age and awareness with chi square value 1.202 and p-value= 0.753. It indicates that the awareness level on GST is not based on the age of the respondents.

Table 2 Awareness and Gender

variable	gender	mean rank	chi-square	sig.
awareness	male	57.32	9.177	0.002
	female	41.47		

Source: primary data

Table 2 shows that there is significant difference between the level of awareness and gender with p-value= 0.002 and mean rank 57.32 and 41.47 for male and female respectively. It indicates that male respondents are more aware than female respondents.

Table 3 Awareness and Educational Qualification

variable	educational qualification	mean rank	chi-square	sig.
awareness	post graduate	49.03	24.441	<0.001
	graduate	73.98		
	upto 12th	39.61		

Source: primary data

Table 3 shows that there is significant difference between the level of awareness and educational qualification with p-value<0.001 with mean ranks 49.03, 73.98 and 39.61 for post graduate, graduate and upto 12th respectively. It indicates that graduates are more aware about GST followed by post graduates. Respondents who have school level education are least aware.

Therefore, it can be concluded that there is significant difference in the level of awareness on gender and educational qualification and no significant difference in the level of awareness and age.

Table 4 Level of Satisfaction and Age

	level of satisfaction	age	
	Kendall 's tau_b	Rates on GST	correlation
significance			0.6
N			100
Price of products/services after GST		correlation	0.162
		significance	0.049
		N	100
Purchasing power after GST		correlation	-0.5
		significance	0.54
		N	100

Source: primary data

The above table 4 shows that there is no association between age and rates on GST and age and purchasing power after GST with p-value = 0.60 and 0.54 respectively. And, there is association between price of products/services after GST and age with p-value = 0.049. Therefore, it can be concluded that age has no association with the respondent's level of satisfaction towards the rates on GST and purchasing power after GST. However, there is association on the level of satisfaction towards the price of products after GST and age i.e., different age groups have different level of satisfaction towards price of products/services post GST.

Findings

1. There is significant difference in the level of awareness on gender and educational qualification.
2. Male respondents have more awareness compared to female.
3. There is no significant difference in the level of awareness and age.
4. The age of the respondents has no association with the satisfaction on GST rates and purchasing power post GST. However. The age has association with the satisfaction on price of goods / services after GST.

Suggestions

1. Female respondents should be given awareness regarding GST as they pay these taxes in their day to day lives. It is necessary to make them aware so that they will know its impact on the society and household functioning.
2. General public should be made highly aware on GST irrespective of their educational qualification so as to know how it works in the society.

Conclusion

Goods and Service Tax is something that the general public is dealing with on their daily lives. The awareness and satisfaction of general public is analysed in this work. The respondents are aware about GST from among them male respondents are highly aware and regarding the educational qualification graduates have high awareness. Regarding the association, price of products/services after GST is the only variable associate with age. This study is conducted to understand the general opinion of the public about GST. However, there is a future scope to concentrate on the impact on each industry separately from publics and beneficiaries' point of view.

Reference

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