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“A STUDY ON THE AWARENESS OF GENERAL HOUSEHOLDS ABOUT GST, WITH REFERENCE TO BANGALORE CITY”

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ABSTRACT

This is a study that would analyze the awareness of the Households towards Goods and Service Tax, with respect to Bangalore City. The researcher aimed to assess visitor perceptions of Bangalore's households regarding their awareness towards GST. The researcher investigated primary data to do this. To collect primary data, a questionnaire was used. A total of 152 respondents were provided with the questionnaire. This research is being carried out primarily to establish the awareness of the households. According to the study's findings, the majority of respondents are aware about the Goods and Service Tax with respect to Bangalore City. The researcher aimed to assess perceptions of Bangalore's households.

Keywords: Awareness, Goods and Service Tax, Households, Taxpayer.

1. INTRODUCTION

The word "tax" comes from the word "taxation," which refers to a mandatory financial charge or other type of levy imposed by a government organization on a taxpayer (an individual or other legal entity) in order to support various public expenses.

In India, the tax system is largely a three-tiered system based on the Central, State, and Local Governments. India's tax system is well-developed, with clear authority separation between the national and state governments, as well as municipal administrations. The central government collects income tax, customs duties, and the central and services tax.

In India's taxation system, both direct and indirect taxes are used. A direct tax, such as income tax, is imposed on a person's earnings or profits rather than on a specific product or service. An indirect tax is a tax paid to the government by one company in the supply chain but passed on to the customer as part of the price of a good or service. In the end, the consumer pays a higher price for the goods. A tax that is handed down from one taxpayer to the next is known as an indirect tax.

2. REVIEW OF LITERATURE

The study "taxation and household saving rates: evidence from OECD nations" was done by **Vito Tanzi and Howell H. Zee in 1998**. Their goal is to investigate a novel relationship between taxation and household savings using regular savings and tax revenue data from OECD countries. They based their findings on secondary data. They came to the conclusion that the greatest direct evidence on the relationship between taxation and savings currently available in the literature.

The study "household Saving Behavior in Developing Economies: The Indonesian Case" was undertaken by **Allen C. Kelly and Jeffrey G. Williamson (2009)**. Their goal is to conduct an exploratory analysis of household saving behaviour in Indonesia's Joyjakarta region. They combined primary data from 490 families in a sample survey. Finally, the prospects for constructing aggregate personal savings linkages using micro data are good.

Omar Aziz, Mathew Gibbons, Chris Ball, and Emma Gorman (2012) studied "the impact on all government revenue and expenditure." The study's goal is to assess the impact of government taxation on household income. They based their findings on secondary data. They arrive to the conclusion that whereas disposable income does not change as a result of indirect taxes, fiscal income does.

Mod Rizal Palil, Rosiati Ramli, Ahmad Fariq Mustepha, and Norul Syuhada Abu Hassan (2013) published a research titled "Elements of compliance costs: lesson from Malaysian enterprises toward Goods and Service TAX (GST)." The study's goal was to look into the differences in companies' compliance expenses as a result of the GST implementation. They gathered primary data using a stratified sample technique and probability sampling. Companies' background, including their business activity, profit, turnover, and tax liability, respondents' compliance costs, including external and internal costs, and perceptions, ready acceptance, and the impact of GST on businesses are among the variables. The findings suggest that, as part of the compliance cost, GST implementation will raise enterprises' internal costs, particularly in terms of human resources. Small and medium-sized businesses will be burdened much more.

"Developments of household savings in South Africa: An Econometric Approach (1990-2011)" was the subject of a study by **Chipote Precious and Tsegaye Arat (2014)**. Their goal is to compile a summary of household savings. For the aim of analysis and interpretation of findings, they utilized secondary data. They conducted the study using Unit Root Test, co-integration analysis, and other methods, and gave recommendations to the

government such as improving the government budget balance and finding alternative ways of borrowing and attracting foreign domestic on investment during economic upswings when household savings are low.

MykolaZhuk (2015) conducted research on the topic "Macroeconomic Determinants of Household Savings in Ukraine", their objective includes hypothesis of household savings structural breaks in financial crisis years and also about the aggregated household savings at macroeconomic level van be used as a source of investment. In this study, they collected secondary data. The tools used are unit- root test and other methods adopted from various researches.

3. OBJECTIVE OF THE STUDY

To determine how well the general public is aware of the Goods and Service Tax.

4. RESEARCH METHODOLOGY

The "Products and Services Tax" is an indirect tax on the manufacture, sale, and consumption of goods and services in India that is intended to replace the existing Value Added Tax (VAT). This new tax system combines federal and state government taxes into one system. The end consumer of goods and services is responsible for paying the tax. Using the input tax credit mechanism, the Products and Services Tax would be assessed and collected at each stage of the sale or purchase of goods or services. It is necessary to study the numerous components that the general public should be aware of.

It consists of the procedures by which researchers describe, explain, and predict phenomena. As such, research methodology is a systematic approach to solving a problem. Similarly, it is also defined as the study of methods through which knowledge is acquired. Its aim is to give a research plan.

The following are involved in the methodology of the study such as:

- Collection of data
- Sample design
- Tools for analysis

The study is based on the details that are collected from the households through a direct questionnaire. It uses Independent sample t test, with the help of SPSS to find out the relationship between Gender and Awareness towards the Goods and Service Tax with respect to General Households in Bangalore and the study is empirical in nature.

5. DATA ANALYSIS:

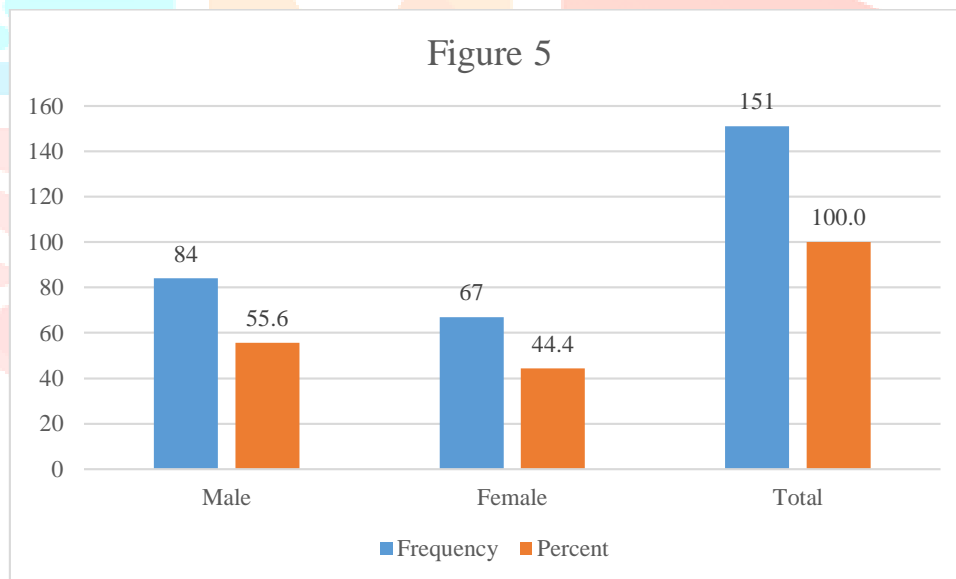
A) GENDER OF THE RESPONDENTS

The composition of the respondents on the basis of gender wise classification is given in the table

Table 5 : Classification of respondents by Gender.

Gender	Frequency	Percentage
Male	84	55.6
Female	67	44.4
Total	151	100.0

Figure 5. Classification of respondents by Gender



Inference:

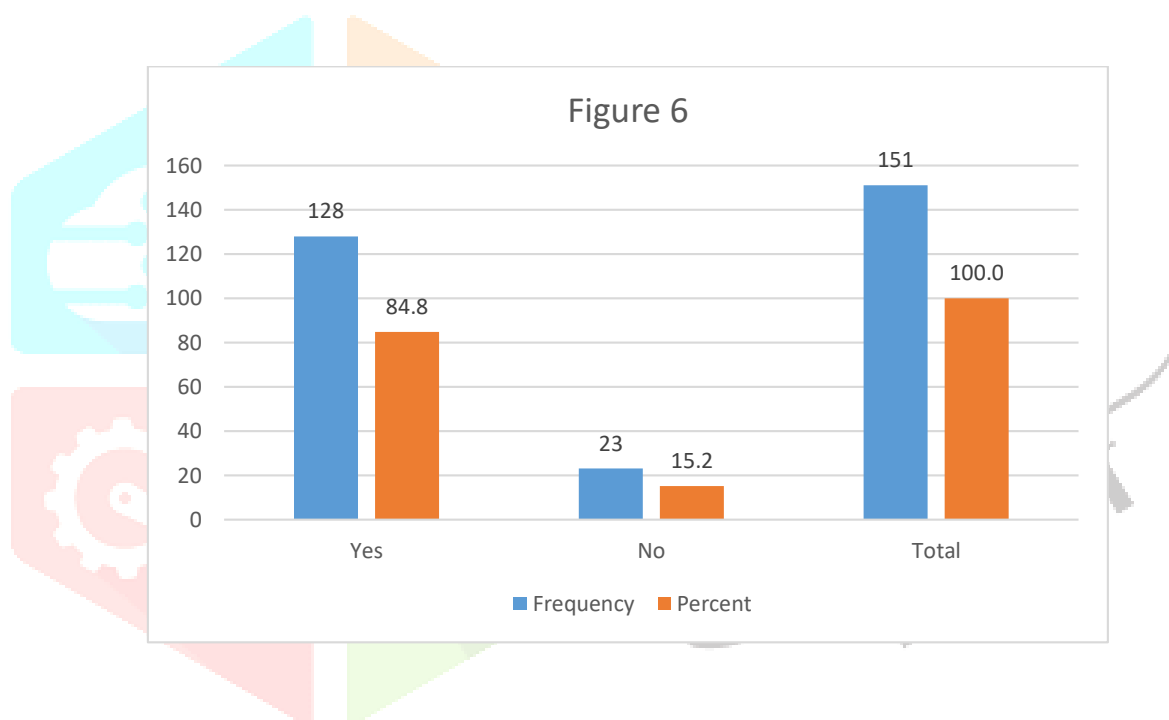
From the above Table 5 and Figure 5, it is clear that 55.6 % of respondents are male and 44.4 % are female

6. AWARENESS OF RESPONDENTS REGARDING GST.

This section tries to analyze and conclude the awareness of the respondents regarding GST and the depth of their knowledge by valuating the level of confirmation with various statements which were given in the questionnaire. Independent sample t test is used for the evaluation of the awareness of the respondents regarding GST.

Table 6. Awareness about Goods and Service Tax

Are you aware of GST?	Frequency	Percentage
Yes	128	84.8
No	23	15.2
Total	151	100.0

Figure 6. Awareness about Goods and Service Tax**Inference:**

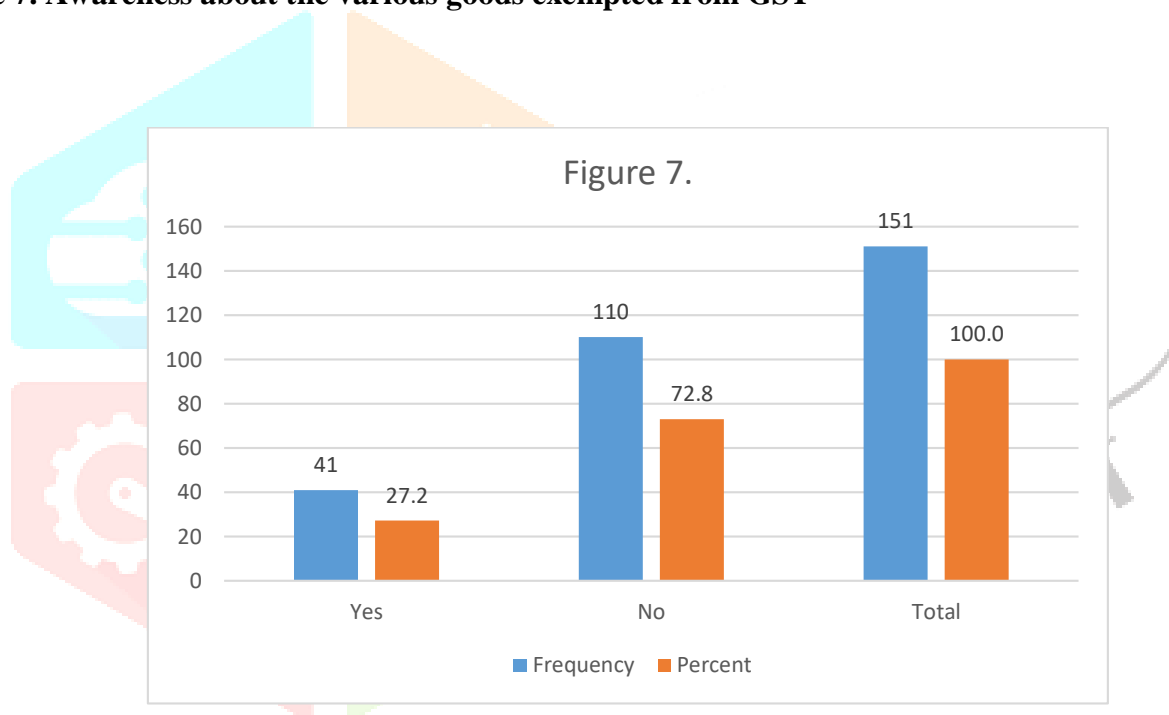
Based on the table and numbers above, 84.8 percent of respondents are aware of GST, while 15.2 percent are not. According to the findings, the majority of respondents are aware of the Goods and Service Tax.

7. AWARENESS ABOUT VARIOUS GOODS EXEMPTED FROM GST

This section tries to understand about the awareness of the households about the various goods that are exempted from GST. The below table and figure shows the response from the households regarding their awareness towards the exempted goods from GST.

Table 7. Awareness about the various goods exempted from GST

Are you aware about the various goods exempted from GST?	Frequency	Percentage
Yes	41	27.2
No	110	72.8
Total	151	100.0

Figure 7. Awareness about the various goods exempted from GST**Inference:**

Based on the above table and figure, it appears that 72.8 percent of total respondents are unaware of the commodities that are exempt from GST, whereas 27.2 percent of total respondents are aware of the various types of goods that are exempt from Goods and Service Tax.

8. TESTS

➤ INDEPENDENT SAMPLE T TEST:

The Independent Samples t Test analyses the means of two independent groups to see if the related population means differ significantly. A parametric test is the Independent Samples t Test.

HYPOTHESIS 1

H0₁- There is no significant relationship between awareness and gender regarding the awareness about GST.

H1₁- There is significant relationship between awareness and gender regarding the awareness about GST.

Table Independent sample t test for the level of relationship between the awareness about GST and the Gender of the respondents.

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
GENDER	Equal variances assumed	0.244	0.622	-0.337	146	0.737	-0.03826	0.11350	-0.26259	0.18606
	Equal variances not assumed			-0.331	30.219	0.743	-0.03826	0.11545	-0.27397	0.19745

Inference:

The table shows that Levene's F statistic is significant at 0.244. We accept H₁₂ since the significant value of 0.622 is greater than 0.05 (=0.05), implying that the assumption of variance homogeneity is correct. Based on the computed value of t for df =30.21, the null hypothesis is accepted and the alternative hypothesis is rejected. This is because the p-value is greater than the significance level of 0.05. As a result, there is no discernible link between respondents' gender and how often they are aware of GST.

9. FINDINGS:

The study has found out that majority of the respondents belonged to the category of male and there is no significant relationship between the Gender of the respondents and their awareness towards Goods and Service Tax. This is because the p-value is greater than the significance level of 0.05. As a result, there is no discernible link between respondents' gender and how often they are aware of GST. Many studies have been conducted on the perception of the Goods and Services Tax (GST), public knowledge, and the impact of GST, among other topics. The goal of this study is to determine how well-informed households are about various aspects of GST.

10. CONCLUSION:

The study "A study on the awareness of general households about GST, with reference to Bangalore city" was done to assess household awareness of GST-related issues. The study's findings show that households are less knowledgeable about GST-related issues. Households are not receiving accurate information about the new tax structure.

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