

PUBLIC SATISFACTION ON GST: A DIAGNOSTIC ANALYSIS IN COIMBATORE CITY

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Abstract:

GST may be a new buzz within the arena of Indian Business surroundings. GST, in an exceedingly very little period of time has become verbalise city and therefore the matter of debate for all. Product and repair tax is one amongst the most important tax reforms when the independence of this country. Opposition parties, though have criticized this step loads and other people (especially businessmen opposed at an oversized scale throughout India) in such a state of affairs, it's extremely necessary to grasp and discuss that what individuals truly understand regarding GST. This analysis is preliminary in nature. The study tries to seek out the perception of individuals concerning GST. With a sample size of hundred individuals, the study has been conducted in Coimbatore town. The sampling technique was Judgment sampling (only those respondents were chosen who had some knowledge regarding GST) and therefore the data collection tool was a structured questionnaire. The data analysis tools utilized in the study were percentage analysis, One sample t-test and Anova.

Keywords: Public, Goods and Services tax, Satisfaction, India, Government, Reforms, Law.

Introduction

GST is one of the Revolution changes within the Indian economy. As an independence nation India has introduced several financial reforms as well as many tax reforms. Indian economic system is carrying terribly complicated structure. Thus it exact same as within the case of tax structure of Indian economy. Every year Indian tax authority changes the laws and rates of the legal system. However the standard legal system is becomes a burden that the customers required to pay all the indirect taxes relating to explicit product and repair. The new tax reforms that GST subsumes all the taxes below one umbrella. In April first 2017 India has introduced GST initially then 2017 July first India enforced GST.

GST could be a single tax on the supply of goods and services right the manufacturer to the consumer. Credits of input taxes paid at every stage are on the market within the subsequent stage of value addition, that makes GST basically a tax solely on worth addition on every stage. The ultimate client can so bear solely the GST charged by the last dealer of the supply chain. There have been plenty of confusions concerning the GST why because of lack of right implementation of the GST.

GST brings large advantages to the customers by paying a single and clear tax proportionate to the worth of goods and services. due to multiple indirect taxes being levied by the central and state with incomplete or no input tax credits on the market at a progressive stage of value addition, the value of most good and services within the country nowadays are laden with several hidden taxes. Under GST there would be just one form one manufacturer to the consumer, leading to the transparency of taxes paid to the ultimate client several product costs can return down thanks to worth addition of the products. It'll increase the buying power of the customers. In this study, the investigators supposed to study concerning the consumer's perception on GST.

Need and Significance of the study

GST is predicted to present a significant relief to industry, trade, agriculture and customers through comprehensive and wider coverage of input tax go off (both on goods and services), subsuming of multiple taxes. It'll guarantee an easier tax regime with fewer taxes, rates and exemptions. A simplified tax regime let alone simple articulate and mostly online procedures can results in improved tax compliances with lesser scope for mistakes. GST is that the best opportunity for customers that facilitate to extend the purchasing power. GST implementation can result in large scope for every customer and to stay pace with the changing world indirect tax situation.

Statement of the problem

India intends to adopt a dual GST which can be obligatory concurrently by the central and states. The planned dual structure GST, seeks to modify the complicated indirect taxation system in India and make a standard national market by delivery down business barriers between the states. GST may be a new tax system which is moving towards associate

economical indirect tax regime. It becomes imperative for public to stay themselves updated with this new tax in country's tax landscape. Therefore the current study seeks to analyse the satisfaction towards GST among the public has been carried out.

Research Objectives

1. To analysis the satisfaction towards GST among the public.

Literature Review

GST is not beginner and has been implemented and adopted world over. But nevertheless the challenges faced in the implementation of GST in a nation with such divert culture, hug he population possesses an exclusive challenge where more than organized trade unorganized trade prevails and where political compulsion prevail caution.

(Poonam, 2017)The biggest problems in Indian tax system like Cascading effect & tax evasion, distortion can be minimized by implementing GST. A single rate would help to maintain simplicity and transparency by treating all goods and services as equal without giving special treatment to some 'special' goods and/or services. The launch of GST would transform Asia's third largest economy into a single market for the first time.

(Shakdwipee, 2017) in his paper inquiring the level of awareness towards GST among the small business owners in Rajasthan state, found that the main areas to be focused include Training errors and Computer software availability.

(Mohamad Ali Roshidi Ahmad, 2016) in his seminal work regarding "Introducing the GST in Malaysia" stated that government should have careful planning, detailed preparation, sharing of community and extensive public education program is the key success in the implementation of GST for any country.

(Nasir, 2015) reveals that tax morale is the most influence factors to tax awareness. This means government need strong focus on publics' knowledge and attitude towards the implementation of GST.

Research Methodology

The study has been designed as descriptive and analytical one. It makes use of both primary and secondary data. The primary data necessary for the study has been collected from 100 respondents representing Coimbatore City using structured questionnaire. Judgment or purposive sampling method was used for selecting samples. The secondary data required for the study were collected from the books and websites. The statistical tool employed was descriptive statistics, One sample t-test, Annova table. In this study researcher takes 5% of significance.

Table 1

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
0.897	0.898	9

It is explored from the table 1 that the Cronbach's Alpha value **0.897** to ensure that the specified items are stuffiest in their representation of the underlying constructs of satisfaction.

Analysis and interpretation:

Descriptive analysis:

Table 2

Demographic Profile	Number of respondents N=100	Percent (%)
Gender		
Male	58	58
Female	42	42
Age		
Below 24	35	35
Above 25	65	65
Monthly Income		
Below 20000	26	26
20001-40000	62	62
Above 40000	8	8
Livelihood		
Salaried	57	57
Business Class	26	26
Unemployed	7	7
Student	10	10

The above table2 gives a clear explanation of Demographic variables included in this study. It contains descriptive statistics of Gender, Age, Monthly Income, and Livelihood.

Most of the respondents are Male

Most of the respondents are Above 25 years of Age

Most of the respondents monthly Income is between 20,001-40,000

Most of the respondent belong to the salaried Class person.

One sample T-test:

H0: There is no significant different between satisfaction and the population mean.

Table 3

One sample t-test with Test Value of 3					
S.n	Factors	T-value	Df	Mean	Sig
1	I clearly get the information on the details of GST	1.896	99	3.23	0.610
2	I think the Govt. spends the tax revenue an necessary welfare assistance	2.400	99	3.29	0.018*
3	The lists of taxable & no-taxable items are well-defined	4.796	99	3.53	0.000**
4	The implementation of GST will benefit to the customers	1.311	99	3.16	0.193
5	GST may be effective in India	2.061	99	3.24	0.042*
6	The implementation of GST will not affect the current price of products	0.461	99	3.06	0.646
7	The implementation of GST will not affect my choice of product & services	1.846	99	3.23	0.048*
8	The media campaign for GST information is effective	3.890	99	3.44	0.000**
9	The implementation of GST will not affect my spending habit	3.099	99	3.45	0.003*

5% significant

Table 3 presents the values of t-test regarding the satisfaction of the public about GST. Referring the significance value column it is found from the table that the mean value is significant for 6 variables (statements) out of total 9 variables (a mean value is considered significant the value under significance column is below .05), hence for these 6 variables the null hypothesis viz - The public' satisfaction about GST is not Significant is rejected and alternate hypothesis is accepted. The 4 statements which shows the Satisfaction significant level of 5% I think the Govt. spends the tax revenue an necessary welfare assistance, GST may be effective in India, The implementation of GST will not affect my choice of product & services, The implementation of GST will not affect my spending habit. Rest of the tow statements significant value of 1%, the lists of taxable & no-taxable items are well-defined, the media campaign for GST information is effective this statements are highly satisfied with the population of the study. For three statements, the significance value is above .05, hence the perception about these statements was not found significant. These statements are - I clearly get the information on the details of GST, The implementation of GST will benefit to the customers and the implementation of GST will not affect the current price of products.

Analysis of variants:

H0: There is no significant difference between demographic variables and public satisfaction towards GST

Table 3

Demographic Profile	Category	Public Satisfaction				
		Mean	S.D	Count	F	Sig
Gender	Male	3.407	.940	58	1.589	.210
	Female	3.378	.874	42		
Age	Below 24	3.181	.796	35	1.430	.035*
	Above 25	3.099	.816	65		
Monthly Income	Below 20000	3.158	.984	26	2.018	.038*
	20001-40000	3.449	.449	62		
	Above 40000	3.648	.640	12		
Livelihood	Salaried	3.183	.929	57	2.365	.076
	Business Class	3.889	.243	26		
	Unemployed	2.806	1.310	7		
	Student	3.492	.776	10		

5% significance

It is inferred that the public are not differed in their satisfaction towards GST in terms of their gender which result in very thin difference in the mean score range from 3.407 to 3.378. The same result was reflected in terms of livelihood both having a significant value crossing over 0.05 and support the null hypothesis “There is no significant difference between demographic variables and public satisfaction towards GST”. On the other hand public in different age group are having varied satisfaction above 25 had low mean score with high Standard Deviation value which denotes their satisfaction in those time was entirely different the current tax system. Monthly Income has a significant value which is less than 0.05. The significant value statistically support the Reject the Null Hypothesis.

Conclusion and Recommendation

The present study on GST is all about the Public satisfaction of public about GST. Public confirm in their not satisfied that the implementation of GST will not affect the current price of products, I clearly get the information on the details of GST and the implementation of GST will benefit to the customers. However, the GST is almost fulfil the satisfaction of public. The government should try to make public understand more about GST and GST complexities. The government should communication with the communities through various online and offline platforms and must conduct an open talk about GST. Further, government should also make public aware that GST is not going to affect the small businesses because it is not applicable on the businesses having a turnover below 20 lakhs. Similarly, those who have knowledge about GST must also disseminate the same to the community, so that lot of wrong understand can be eliminated.

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