

Attitude of Common People towards Goods and Service Tax (GST) in Banka District

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ARTICLE DETAILS

Article History

Published Online: 25 May 2019

Keywords

Comprehensive, crucial, Impact, Economy.

ABSTRACT

GST is known as goods and service tax levied on any stage of manufacturing or supply of goods and services. GST came into effect on 1st July 2020 in India. It is designed to help and enhance the Indian economic growth. It is a destination based multistage, comprehensive, crucial tax reforms in Indian history. It creates a unified Indian markets and cascading elimination of double taxation, boost to Indian GDP growth rate. It helps to make one nation, one tax, and one market across India. This paper is based on primary data in Banka district to check the attitudes of people about GST (Goods and Service tax). From analysis and interpretation of data most of the respondents are satisfied current GST taxation system.

1. Introduction

Goods and service tax is a crucial tax reforms since Indian Independence Day. In global prospective France was the first country that is implemented goods and service tax in 1954. More than 165 countries have adopted and implemented goods and service tax in the world. GST came into effect on 1st July 2017 Through the implementation of 101th amendment of the constitution of India. GST was quitted in 2004 by kelkar task force in India. Hence, the journey of GST(Goods and Service tax) in India from its origin 2004 up to its enactment and implemented in 1st July 2017 has many types of ups and down. GST means that tax is levied on the Manufacturing and sales of goods and service across the country. The goods and service tax is Charged at every stage of the manufacturing process. It is a destination based tax system. It means that it is collected at the point of consumption. It removes a bundled of indirect taxes such as CST, VAT, CAD, service taxes, excise duty and other extra taxes, surcharges. It is a less tax compliance and simplified tax policy than pre GST tax system.

Types of GST (Goods and Service Tax)

- 1) **CGST (Central goods and service tax):** CGST is collected by the central government on any intrastate (within a state) transaction/supply of goods and services.
- 2) **SGST (State goods and service tax):** SGST is collected by the State government on any interstate transaction/supply of goods and services.
- 3) **IGST (Integrated goods and service tax):** IGST is taxed on the transaction/supply of products and services between two states. IGST is the sum of SGST and CGST.

$$IGST = SGST + CGST$$

- 4) **UTGST/UGST (union territories Goods and Service tax):-** in case of union territories where have not their own legislative assembly is levied SGST.

GST are divided into five slabs 0%, 5%, 12%, 18%, 28%. It replaced existing multiple taxes levied by both state and

central government. GST system is governed by GST council of India.

2. Review of literature

A Das(2017): Goods and Service tax is also known as a single tax on the supply of goods and service. This research paper highlighted positive and negative impact of GST in Indian tax system. It will make India unified common markets. It will insure a comprehensive tax base. It will help industry to reap benefits of common producers and claim credit for taxes paid.

Shankar R (2017): GST (Goods and Service tax) is the latest kind of indirect tax which proposed to be in force from 1st July 2017. it is a very crucial tax reforms since 1947. It must be better handled with outmost care and analyzed will before implementing it. So the government should have to conduct awareness programmed among people.

Dr. yogesh kailash Chandra agrawal (2017): GST (goods and service tax) is at the infant stage in Indian economy. It will take some time to experience. Its effects on Indian economy. This mechanism is designed in such a way that is generated good amount of revenue for the government regarding service providers, businessmen, producers. It will bring transparency in the collection of indirect taxes for the government of India.

3. Objective of the study

The main objectives of this paper is that to study about the concept of GST(Goods and Service Tax), impact of GST on Indian economy and what is the public opinion towards GST in Banka district.

4. Research Methodology

This research paper is based on primary data which is collected from Banka district in Bihar. A qualitative data is more important due to various experiences and public opinions regarding impact of GST on consumers. Total 130 people were approached for the study. Out of 100 responses were considered for this study from Banka district. Table and

Microsoft excel, pie chart, bubble and other method are used to analysis of data

5. Result and discussion of the study

Demographic profile of respondents:-

Table-01

| Gender basis classification of respondents | | |
|--|--------------------|---------------------------|
| Gender | No. of Respondents | percentage of respondents |
| Male | 68 | 68% |
| Female | 32 | 32% |
| Total | 100 | 100% |
| Age wise classification of Respondents | | |
| Age Group | No. of Respondents | percentage of respondents |
| Up to 25 years | 33 | 33% |
| 25-45 years | 48 | 48% |
| 45-65 years | 14 | 14% |
| Above 65 years | 5 | 05% |
| Total | 100 | 100% |
| Category basis classification of data | | |
| Categories | No. of Respondents | percentage of respondents |
| Students/teachers | 37 | 37% |
| Businessman or self business | 33 | 33% |
| Government services | 19 | 19% |
| Other | 11 | 11% |
| Total | 100 | 100% |
| Classification of respondents on education basis | | |
| Education level | No. of Respondents | percentage of respondents |
| Up to 10 th | 28 | 28% |
| Up to Graduate | 46 | 46% |
| post graduate or above | 16 | 16% |
| Other/diploma | 10 | 10% |
| Total | 100 | 100% |
| Classification of respondents on Income basis | | |
| Income level | No. of Respondents | percentage of respondents |
| Up to 10,000 | 19 | 19% |
| 10,001 to 20,000 | 37 | 37% |
| 20,001 to 35,000 | 32 | 32% |
| Above 35,000 | 12 | 12% |
| Total | 100 | 100% |

(source: primary data)

Statement 1: classification of respondents regarding GST is a good indirect tax system. The following Description is given below:-

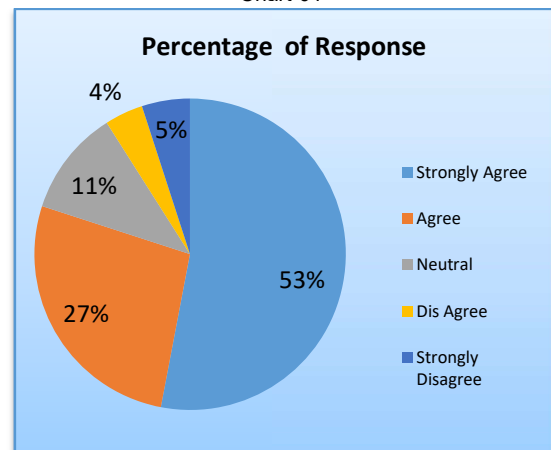
Table:-02

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|----------------|-----------------|------------------------|
| 1 | Strongly Agree | 53 | 53% |
| 2 | Agree | 27 | 27% |
| 3 | Neutral | 11 | 11% |
| 4 | Dis agree | 4 | 4% |

| | | | |
|-------|-------------------|-----|------|
| 5 | Strongly Disagree | 5 | 5% |
| Total | | 100 | 100% |

(Source: primary data)

Chart-01



From above table and chart it is clear that most of the respondents are satisfied with the Statements that GST is a good tax system in India. 53% of the respondents are strongly satisfied with Goods and Service tax in India. 27% respondents are agree and 11% are Neutral. Hence it is calculated that 80% respondents are satisfied with GST in India.

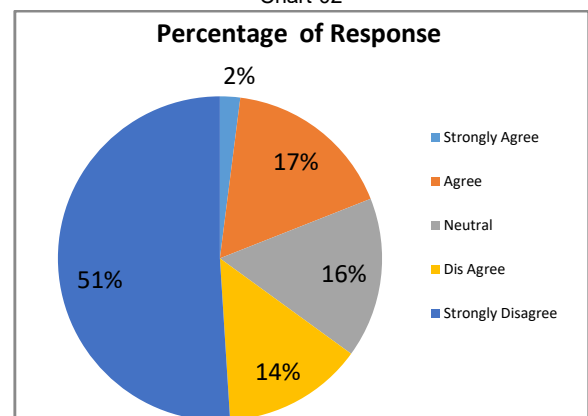
Statement2: classification of respondents on the basis of the question regarding GST confused the consumers. The following Description is given below:-

Table:-03

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 2 | 2% |
| 2 | Agree | 17 | 17% |
| 3 | Neutral | 16 | 16% |
| 4 | Dis agree | 14 | 14% |
| 5 | Strongly Disagree | 51 | 51% |
| Total | | 100 | 100% |

(Source: primary data)

Chart-02



From above table and chart it is clear that most of the respondents are not satisfied with the Statements that GST confused the consumers. 51% of the respondents are strongly

disagree with the statements. 14% respondents are disagree and 16% are Neutral. Hence it is calculated that 65% respondents are not satisfied with the statements GST confused the consumers.

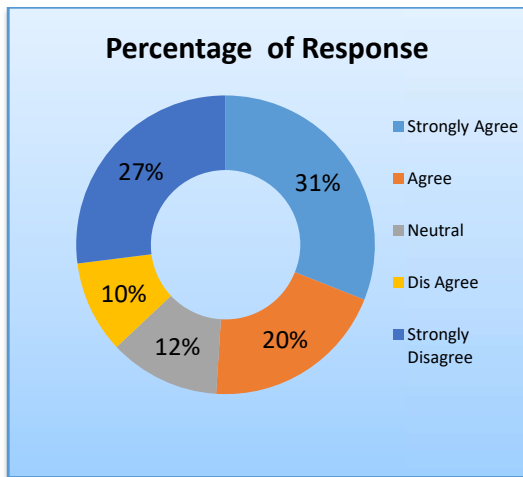
Statement 3: classification of respondents regarding the question GST is better than pre GST tax system. The following Description is given below:-

Table-04

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 31 | 31% |
| 2 | Agree | 20 | 20% |
| 3 | Neutral | 12 | 12% |
| 4 | Dis agree | 10 | 10% |
| 5 | Strongly Disagree | 27 | 27% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-03



From above table and chart it is clear that most of the respondents are satisfied with the Statements that GST is better than pre GST tax system. 31% of the respondents are strongly satisfied with the statements. 20% respondents are agree and 12% are Neutral. Hence it is calculated that 51% respondents are satisfied with the statements that GST is better than pre GST tax system.

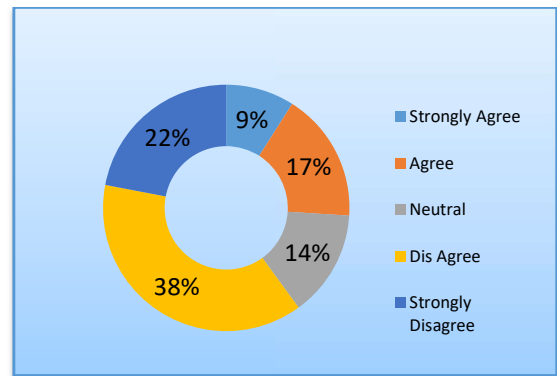
Statement 4: classification of respondents regarding GST has increased the cost of living. The following Description is given below:-

Table-5

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 9 | 9% |
| 2 | Agree | 17 | 17% |
| 3 | Neutral | 14 | 14% |
| 4 | Dis agree | 38 | 38% |
| 5 | Strongly Disagree | 22 | 22% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-04



From above table and chart it is clear that most of the respondents are not satisfied with the Statements that GST increased cost of living. 60% of the respondents are not satisfied with the statements GST increased cost of living in India. 26% respondents are agree and 14% are Neutral. Hence it is calculated that 60% respondents are not satisfied with the statements that GST has increased the cost of living.

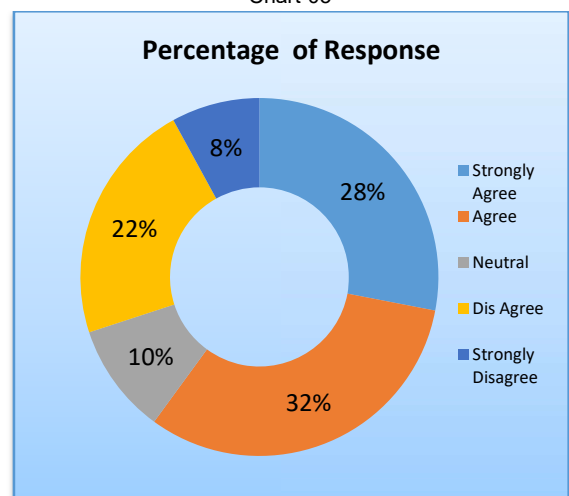
Statement 5: classification of respondents regarding liquor or alcohol for drinking should be subsumed in the new GST model. The following Description is given below:-

Table-6

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 28 | 28% |
| 2 | Agree | 32 | 32% |
| 3 | Neutral | 10 | 10% |
| 4 | Dis Agree | 22 | 22% |
| 5 | Strongly Disagree | 8 | 8% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-05



From above table and chart it is clear that most of the respondents are satisfied with the Statements that liquor or alcohol for drinking should be subsumed in the new GST model system in India. 60% of the respondents are satisfied

with the statements. 22% respondents are disagreed and 10% are Neutral. Hence it is calculated that 60% respondents are satisfied with liquor or alcohol for drinking should be subsumed in the new GST model.

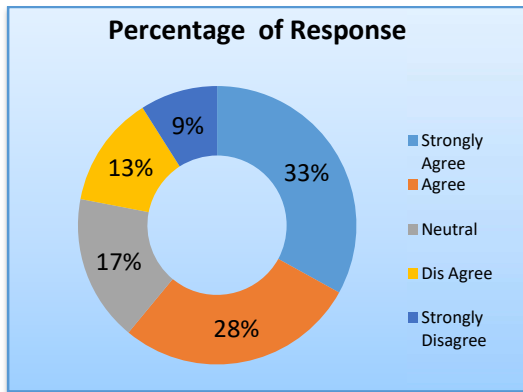
Statement 6: classification of respondents regarding to the question petroleum and its product should be subsumed in the Current GST System. The following Description is given below:-

Table-7

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 33 | 33% |
| 2 | Agree | 28 | 28% |
| 3 | Neutral | 17 | 17% |
| 4 | Dis Agree | 13 | 13% |
| 5 | Strongly Disagree | 9 | 9% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-06



From above table and chart it is clear that most of the respondents are satisfied with the Statements that petroleum or its product should be subsumed in the new GST model system in India. 61% of the respondents are satisfied with petroleum and its product should be subsumed in the Current GST System. 17% respondents are disagreed and 13% are Neutral. Hence it is calculated that 61% respondents are satisfied with this statements.

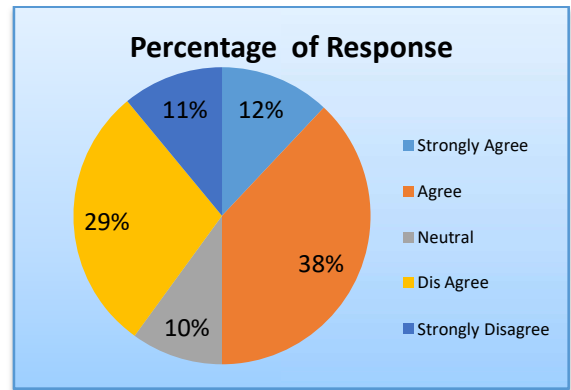
Statement 7: classification of respondents regarding GST will boost the economy in the long period. The following Description is given below:-

Table-08

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 12 | 12% |
| 2 | Agree | 38 | 38% |
| 3 | Neutral | 10 | 10% |
| 4 | Disagree | 29 | 29% |
| 5 | Strongly Disagree | 11 | 11% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-07



From above table and chart it is clear that most of the respondents are satisfied with the Statements. 50% of the respondents are satisfied with the statements that GST will boost Indian economy. 40% respondents are disagreed and 10% are Neutral. Hence it is calculated that 50% respondents are satisfied with the statements.

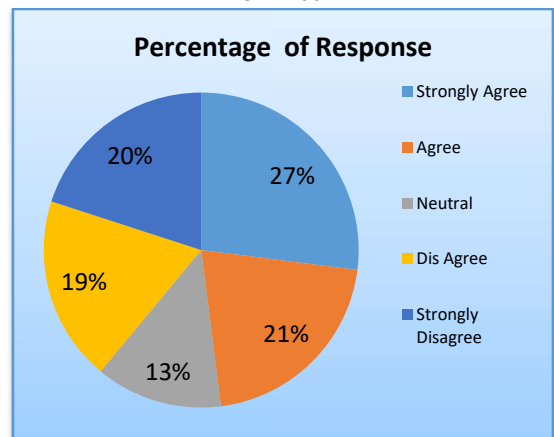
Statement 8: classification of respondents regarding the question GST is the cause of inflation. The following Description is given below:-

Table-09

| Sr. No. | Response | No. of Response | Percentage of Response |
|---------|-------------------|-----------------|------------------------|
| 1 | Strongly Agree | 27 | 27% |
| 2 | Agree | 21 | 21% |
| 3 | Neutral | 13 | 13% |
| 4 | Dis agree | 19 | 19% |
| 5 | Strongly Disagree | 20 | 20% |
| | Total | 100 | 100% |

(Source: primary data)

Chart-08



From above table and chart it is clear that most of the respondents are satisfied with the Statements that GST is the cause of inflation. 48% of the respondents are satisfied with this statement. 39% respondents are disagree and 10% are Neutral. Hence it is calculated that 48% respondents are satisfied with the statements that GST is the cause of inflation.

6. Findings

After analysis and interpretation of data these are following findings are arises:-

- Most are respondents are male age up to 45 years.
- Most of the respondents are related to students teachers and self business groups
- Most of the respondents are related to graduate and under graduate education level with income group between Rs 10,000 – Rs 35,000.
- Most of the respondents are satisfied with GST is a good tax system in India.
- Most of the respondent's opinions is that GST is better than pre GST tax systems.

- Most of the respondent's opinions is that GST will boost our economy in the long period.
- Most of the people's opinions is that liquor, alcohol and petroleum should be subsumed in newly GST system.

7. Conclusions and suggestions

The present study focused on newly implemented GST (Goods and Service tax) it is a destination based, comprehensive, crucial tax system. It is a game changer of Indian economy. This study highlighted the overall overview of GST in Banka district. it is necessary that governments should make it more comprehensive, transparent, and clean understanding, and positive attitudes towards GST among people.

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