

Satisfaction Level of Salaried Taxpayers towards E-filing: Demographic Perspective

Rahul Kumar

Assistant Professor, Jaypee University, Anoopshahr (U.P.) (India)

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ABSTRACT

In the present time, technology has become the key enabler for e-governanc. E-filing of income tax is the major project of income tax department under e-governance system where we can file return from anywhere without visiting to department. This study attempted to investigate the satisfaction level of salaried taxpayers towards e-filing as per demographic perspaactive. The data were collected from respondents using questionnaire method. Questionnaire consists five key points like Highly Satisfied (HS), Satisfied (S), Neutral (N), Dissatisfied (DS) and Highly Dissatisfied (HDS).

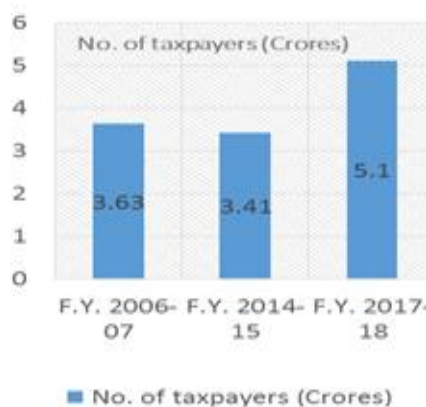
1. Introduction

E-filing or electronic filing is submitting your income tax details or returns online, i.e. filing of income tax returns without visiting to the income tax department's office physically. The e-filing project is an eminent e-governance and e-delivery measure taken by income tax department for better services to the taxpayers and was notified in 2006-07.

E-governance is basically associated with carrying out the functions and achieving the results of governance through the utilization of information and commands technologies. Governments are implementing ICT to enable e-government to improve the efficiency of government agencies. Most of the countries in the world have progressively utilized functionality of ICT to implement E-filing system. As per United nation e-governance reports published in 2001, India was in 'minimal e-governance capacity', although numerous e-governance services have been successfully implemented, this is a lot more to be done. India is still implementing e-governance.

Income tax department is most important part of ministry of finance and income tax is one of the main source of government's revenue. First income tax act of India came into force w.e.f. 24th July 1860 with the approval of the Governor General. For the first year of tax the government collected Rs 30 Lakhs. The act lapsed in 1865 and was reintroduced in 1867. After independence, Income Tax Act, 1961 came into existence with effect from 01.04.1962, based on the recommendations of the Law Commission and the Enquiry Committee. The first phase of income tax reform took place in 90s, while rationalization of tax rates and modernization and technology upgradation factors were considered for the first time. The website of income tax department <http://www.incometaxindia.gov.in> was launched in 2003.

E-filing was initiated in India in the financial year 2006-07 for the first time, now the returns could be filed online using digital signature or without signature or through e-return intermediaries. 3.63 lakhs taxpayers used this facility in the first year, this figure has grown to 3.41 crores in the financial year 2014-15 and at present, Income tax Department has made compulsory to file ITR through online i.e. e-filing in India is compulsory at present time.



Following features are provided by Income tax department for e-filing;

- Excel and java utility of income tax returns and forms can be download from income tax website.
- Pre-filled option (Where no need to fill general information like Name, Address and Bank accounts details)
- Online verification of Income tax Returns through Aadhaar OTP, Bank Accounts detail etc.
- Revised facility of Income tax returns.
- Prepare and submit ITR-1 and ITR 4 directly without downloading utility or any form.
- Online Tax Payment system.
- TDS and TCS information can be known directly from income tax website by downloading 26AS form.

2. Review of literature

Anna Che Azmi and Ng Lee Bee (2010) in their article "The acceptance of the e-filing system by Malaysian Taxpayers: A simplified model" investigated those factors that lead to the acceptance of e-filing among taxpayers by using technology acceptance model. In this article, they considered perceived usefulness, perceived ease of use and perceived risk. They concluded that all of the variables significantly influence behavioral intention. The perceived risk construct has a negative association with the perceived usefulness construct. However, there is no significant association between the perceived risk and perceived ease of use constructs.

Rajeswari and Mary (2014), in their research article “E-Filing of Income Tax returns: awareness and satisfaction level of salaried employees” measured the awareness and satisfaction level of individual salaried taxpayers towards e-filing of income tax return. They measured the satisfaction level of salaried taxpayers with the online features of income tax e-filing. They used chi-square test to measure the satisfaction level of individual taxpayers. The result showed that respondent’s gender and other variable like educational qualification influence their level of satisfaction level towards e-filing of income tax.

Geeta R. and Sekar M (2012), in their research article “E-filing of income tax: awareness and satisfaction level of individual tax payers in Coimbatore city, India” reveals that the existing users are satisfied with the e-filing facilities but most of the individual tax payers are not awareness of the e-filing and e-payment procedures so sufficient steps are required to create more awareness in the minds of tax payers regarding e-filing of income tax.

Saliza Abdul Aziz and Kamil Md. Idris (2012), in their study “The Determinants of Tax E-filing among Tax Preparers in Malaysia” attempted to provide insights into its facets, thus, providing useful input on the determinants towards intention to use e-filing among tax preparers. One of the strong points of the unified theory of acceptance and use of technology (UTAUT) model is its ability and successfully explains user acceptance in a more realistic manner than the other models. However, some form of extension, modification and improvement upon the existing technology acceptance models are vital. The UTAUT model could at this stage serve as a benchmark against all future models; much like TAM did over the past few decades.

Mukesh Kumar and Mohammad Anees (2014) in their study, “E filing: Creating new revolution in taxation of India” reveals that number of e-filer increase continuously but not rapid as expected due to various reasons like lack of awareness towards use of internet, insecurity towards e-payment security among assessee, Lack of adequate financing to set up the appropriate infrastructure in tax offices, Lack of a reliable and accessible internet service.

3. Objective of the study:

- To measure the satisfaction level of respondents towards e-filing.
- To know that Demographic factors influence the satisfaction level of respondents.

4. Hypothesis:

H0: There is no significant difference between satisfaction level of Individual salaried tax payers and their demographic profile towards e-filing.

H1: There is a significant difference between satisfaction level of Individual salaried tax payers and their demographic profile towards e-filing.

5. Research Methodology:

Primary and secondary data was considered. Primary data was gathered by using well-structured questionnaire as tool for data collection that was filled by accounting professionals. The questionnaire was sent to respondents using email, what Sapp and other online media. Secondary data was gathered from several books and websites. After completing the collection of primary data and secondary data, the collected data was properly tabulated and analyzed.

Table 1.0 Demographic Profile of the Respondents

Demographic	Variable	Frequency	Total	Percentage (%)
Gender	Male	38	60	63.33
	Female	22		36.67
Age	Between 18-25	12	60	20
	26-31	18		30
	32-37	13		21.67
	38-43	8		13.33
	44-49	3		5
	50-55	2		3.33
	Above 55	4		6.67
Qualification	Doctorate	5	60	8.33
	Master's degree	28		46.67
	Bachelor's Degree	17		28.33
	Diploma	2		3.33
	Others	8		13.33
Income	Below 250000	12	60	20
	250001-500000	26		43.33
	500001-1000000	18		30
	Above 1000000	4		6.67
Employer's Category	Private	47	60	78.33
	Central Govt.	3		5
	State Govt.	7		11.67
	PSU	3		5

Table 2.0 Classification on satisfaction level towards E-filing of Tax payers

Satisfaction level of individual Tax payers towards E-filing	Frequency				
	Total	F	%	M	%
Highly Satisfied	24	9	40.90	15	39.47
Satisfied	27	11	50.00	16	42.10
Neutral	4	1	4.55	3	7.90
Dissatisfied	4	1	4.55	3	7.90
Highly Dissatisfied	1	0	0	1	2.63
Total	60	22		38	

Table 2.0 Shows that 24 respondents out of 60 respondents are highly satisfied with the e-filing of income tax return, 27 are satisfied, 4 are neutral, 4 are dissatisfied and 1 is highly satisfied.

6. Finding of the Study:

- In this study majority of the respondents were male.
- Majority of the respondents are satisfied with the e-filing procedure of income tax department.
- Very less number of respondents were dissatisfied with the e-filing procedure, this was due to lack of awareness of technology (Personal interview).

- Most of the respondents were highly satisfied with the e-verification
- Table 2. Stated above show the demographic profile of the respondents, as per the table demographic profile of the respondents do not influence the satisfaction level of the taxpayers. Hence **H₀**: There is no significant difference between satisfaction level of Individual salaried tax payers and their demographic profile towards e-filing. **[Accepted]**

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