



Awareness and Knowledge on implementation of Goods Service Tax (GST) among B. Com students of Kachchh University

TEJAL TANNA

Adhyapak Sahayak

Tolani Institute of Commerce, Adipur.

Abstract:

Every individual has different opinion and argument on government's plan of implementing GST in India from 1st April, 2017. Some of them believe that GST will result in increase in prices of goods and will be a burden on people. Therefore, this study is carried out to know the awareness among students of B.com and their knowledge on GST. The objective of this study is to know the level of awareness about implementation of GST and knowledge on GST among B.com students of Krantiguru Shyamji Krishna Verma Kachchh University.

Keywords: GST, Awareness and Knowledge

1. Introduction

Tax is a compulsory contribution to state revenue, levied by the government on workers' income and business profits, or added to the cost of some goods, services and transactions. In other words, Tax is a fee charged ("levied") by government on a product, income or activity. The first known system of taxation was in Ancient Egypt around 3000-2800 BC in the first dynasty of the old kingdom.

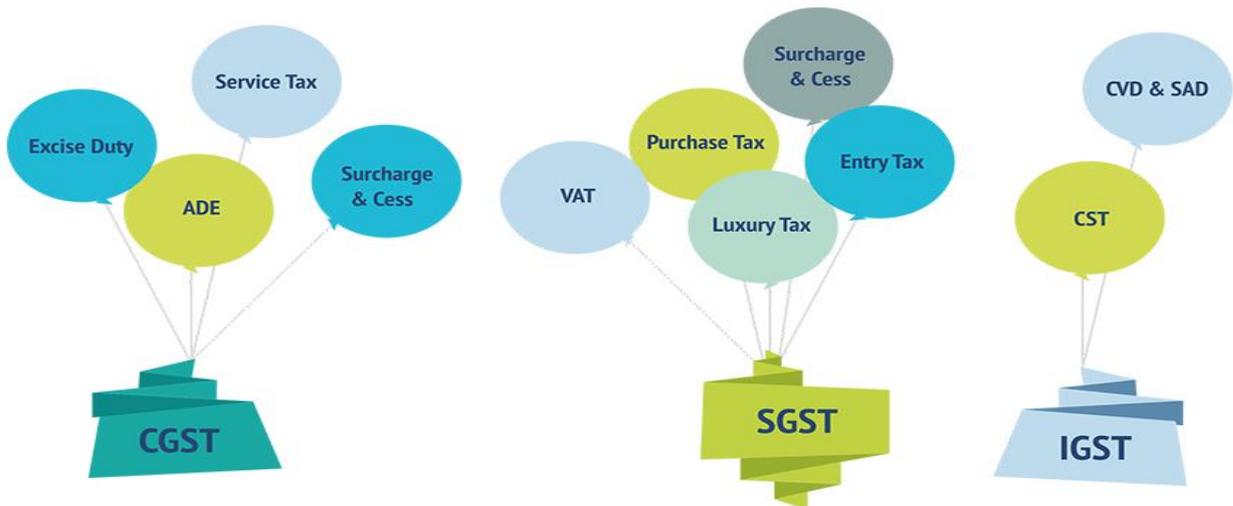
There are various types of tax which are levied in India like income tax, capital gains, corporate tax, property tax, inheritance, expatriation, transfer, excise, customs etc. Broadly taxes can be classified in two categories: 1) Direct Tax and 2) Indirect Tax. Despite of existence of multiple tax in India the GDP of India is much lower than countries like USA, China and Japan.

2. What is GST?

Goods and Service Tax (GST) is an indirect tax reform which aims to remove tax barriers between states and create a single market.

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set off benefits at all the previous stages.

3. Taxes Subsumed under GST



4. Tax components of GST



2. Need for GST in India

- Present tax structure suffers from confusion and mistrust, complexity, high transaction cost, too much litigation, lack of harmony and high corruption.

Benefits of GST

a) For business and industry

- Easy conformity
- Evenness of tax rates and structures
- Removal of cascading effects
- Enhanced competitiveness
- Gain to manufacturers and exporters

b) For Central and State Governments

- Simple and easy to govern
- Better controls on escape
- Higher revenue efficiency

c)For the consumer

- *Single and apparent tax balanced to the value of goods and services*
- *Aid in overall tax burden.*

3. Problem Statement

GST is deemed as one of the steps in making India a country with comprehensive, efficient and transparent tax system.

GST will be applied from 1st April, 2017. The Government and its officials are in their way in implementing GST and spreading awareness and information about GST. If people will be unaware and confused about tax system of GST the main aim of implementing GST will be lost. This paper is focusing on the awareness and knowledge on GST among youngsters especially B.com students of KSKV Kachchh University.

4. Research objective

The study is conducted on B.com students of KSKV Kachchh University to achieve the following objective:

1. To identify the level of student's awareness on the implementation of GST
2. To identify the level of student's knowledge on issue of GST.

5. Research Methodology

210 respondents (B.com students) were involved in this research. Selection of respondents was made randomly. The method used in this study was quantitative using questionnaire as the main instrument. A set of questionnaires was designed to gain primary data from the respondents. The data were collected and subsequently analyzed to obtain the frequency and percentage using the Google forms feature available in Gmail account.

6. Research findings

6.1 Demographic Analysis

The result of the questionnaires received showed that 39% consisted of females and 61% consisted of males. This clearly indicates that male students are at dominant position at university. In terms of age, most of the students were of 19 years (58.5%), followed by 18 years (23.3%) and then 21 and 22 years (18.2%) whereas for the semester, (36.2%) were from semester 2, (31.4%) from semester 4, (32.4%) from semester 6. In terms of family background, (56.7%) students were from non-business background and (43.3%) were from business background, and in terms of area, (71.4%) were from town and (28.6%) were from village.

6.2 Analysis of Student's Awareness on the Implementation of GST

The first objective of the study was to know the level awareness among the students of B.com about the implementation of GST. The result showed that (53.3%) were unaware about this fact and only (46.7%) were aware about the Government's plan about implementation of GST from 1st April, 2017. This clearly shows that more than half of the students are unaware of GST. Further from the respondents who knew about GST (60.7%) came to know about GST from Social Media followed by (32.5%) who came to know from newspaper and magazines, (6%) from peers and (23.9%) from other sources. The respondents who did not know about GST had many reasons like (29.2%) were not interested, (11.3%) were not interested because they felt that they were not directly affected by GST, (16%) felt that there is a lack of promotion by government, (13.2%) gave the reason of lack of time and (32.1%) responded that there were other reasons. This statistics shows that youth is not aware about the tax system and government needs to work more on promotion of GST and spread awareness on GST.

6.3 Analysis of Student's Knowledge on the Issue of GST

The second objective of the study is to identify the knowledge on the issue of GST. The table showing the result is as follows:

Sr. No	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	GST aims to make the tax system more efficient, comprehensive and transparent.	4.8%	0.8%	17.7%	55.6%	21%
2	GST will generate and increase revenue for the country	3.3%	1.7%	19.8%	55.4%	19.8%
3	GST will not burden people	1.7%	11.7%	30.8%	46.7%	9.2%
4	GST protects the interest of low-income earners	4.3%	5.2%	25.9%	54.3%	10.3%
5	People do not understand how GST will be implemented	2.6%	7.7%	23.9%	56.4%	9.4%
6	GST will result in higher prices for goods and services	6.7%	25.2%	24.4%	35.3%	8.4%
7	GST is the best tax system adopted by many countries around the world	2.6%	0.1%	19.6%	58.1%	19.7%

7. Recommendations & Conclusions

GST is one of the current issues discussed by many after declaration of its possibility of implementation by government, but still youth is unaware about the governments' plan to implement GST. Government should work on spreading awareness among youth as youth is known as the future of country. It is expected that implementation of GST will lead in more transparency.

Youth is one of the key elements in progress and development of India, thus providing necessary and fundamental information about GST can be done through organizing seminars, talks, training programmes, advertisement on social media etc.

References

- <https://www.google.co.in/search?q=definition+of+gst&oq=definition+of+gst&aqs=chrome..69i57j0l5.7246j0j8&sourceid=chrome&ie=UTF-8#q=definition+of+tax>
- <https://en.wikipedia.org/wiki/Tax>
- <https://www.google.co.in/search?q=definition+of+gst&oq=definition+of+gst&aqs=chrome..69i57j0l5.7246j0j8&sourceid=chrome&ie=UTF-8#q=what+is+gst>
- https://www.google.co.in/search?q=what+is+gst&biw=1366&bih=638&source=lnms&tbm=isch&sa=X&ved=0ahUKEwiGxb3U95XRAhUMRY8KHTFHCm0Q_AUICCGD#tbm=isch&q=taxes+subsumed+in+gst
- <https://www.google.co.in/webhp?sourceid=chrome-instant&ion=1&espv=2&ie=UTF-8#q=benefits%20of%20gst>

6. https://www.researchgate.net/publication/228285785_The_Impact_of_GST_Goods_and_Services_Tax_on_the_Indian_Tax_Scene
7. <https://www.google.co.in/search?q=status-gst-01122015&oq=status-gst-01122015&aqs=chrome..69i57.970j0j4&sourceid=chrome&ie=UTF-8>
8. http://webcache.googleusercontent.com/search?q=cache:http://www.iarjournal.com/wp-content/uploads/15-P101-106.pdf&gws_rd=cr&ei=qjZjWI6iB4HWvgTw2I_4BQ
9. <http://icmai.in/icmai/Taxation/upload/GST-In-India-vol1.pdf>
10. <http://www.iarjournal.com/wp-content/uploads/15-P101-106.pdf>
11. <http://www.kuis.edu.my/icommm/2nd/download/IC%20038.pdf>