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"AN IMPACT OF GST ON GENERAL PUBLIC"

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Abstract :

In this article, the author analyzed "an impact of GST on general public". GST expands for "Goods and Services Tax". It will help the Indian economy's growth by the way of reducing multiple taxes such as Value Added Tax(VAT), Sales tax, Service tax, Excise duty etc,…all as to combined into one simple tax, that is the GST, "One Nation One Tax". GST will replace all the indirect tax levied on Goods and Services by Central government as well as State government. GST will have both pros and cons of impact the day to day life of general public. The burden on GST filing is to file a return on time without any delay but the procedure of filing is huge process and most of that handle only tax professionals and rest of less individuals are not aware of it. GST has created a positive impact on consumer and in other side if the difference of old and new rate was huge, the consumers is in the loosing point. The paper is based on primary and secondary data resources which were collected from general public, articles and authorized websites.

Keywords: *GST, One Nation One Tax, GST Filing, Indirect Taxes.*

1. INTRODUCTION :

India is the largest population country in the world, among them majority of population has middle class and poor classes. Before GST, the government levied multiple taxes on separate goods and services. But on 01, July 1 2017 after implementation of GST has replaced a number of Central and state taxes.

Tax is levied directly on personal or individual, then it is called in direct tax and Taxes levied on price of goods and service by the consumer, not an individual, then it is called indirect tax. GST is an indirect tax which is applicable to hold India that will make India on "One Nation, One Tax and One Market. GST is a fee charged by government on enhance the economy and increase the revenue of government. The biggest advantage of GST implementation is reduce the burn of overall tax and goods and services and it eliminate the cascading effect(i.e., Tax On Tax). The tax rate under the new GST Regime is fixed as follow 0% 5% 12% 18% and 28 % for where is goods and services almost majority of goods and services comes under 18% tax rate and it will impact on general public. The GST is just like a coin, there are two side head and tail. So similar that GST has some positive impact and negative impact on the public.

2. OBJECTIVES OF THE STUDY :

- To know the impact of goods and services (GST)in India.
- To know the impact of goods and services on General Public.
- To study the different aspects of GST in India.

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3. LITERATURE REVIEW :

Ahmad et al. (2016), found that the level of awareness of the GST is still not reached a satisfactory level. This is because the study involved only general questions that should be known by the respondents as end users. This cause the respondents gave high negative perception of the impact of implementation of GST.

Times of India dated (27 July, 2017), stated that the GST implication across different places for the same product has wider differences which the consumers are unaware, resulting them in surprise. Ex: A Rasamalai sold in counter at a shop is taxed with 5% but if it is served in the hotel it is taxed with 18% this has resulted in difference of consumers shopping to purchase the similar products.

Tulu (2007), indicate that other factors such as taxpayers' attitude or morale found to be the result of lack of awareness has found to have little impact on taxpayers' attitude towards taxation. A lot of individuals or taxpayers might want to comply in full with the tax systems, but are unable to do so because they are not aware of and lack of understanding their full obligations. Even they understand their obligations they may not know how to comply with it because of there is no two way communications between the authorities and taxpayers. Dup (2014) claimed that the ability of taxpayers to comply with the tax laws have a strong relationship with tax awareness.

Nitin Kumar (2014) studied, "Goods and Service Tax- A Way Forward" that implementing GST in India would help in removing current indirect tax system and expected to encourage unbiased tax structure which is indifferent to geographical locations. **Nishita Gupta (2014)** in her study stated that by implementing GST would give many benefits to our country which is not given by current tax structure and will benefit the economy.

4. RESEARCH METHODOLOGY :

The present paper is based on primary data and secondary data. The primary data were collected from the public through online survey. The secondary data were collected from books, articles and internet.

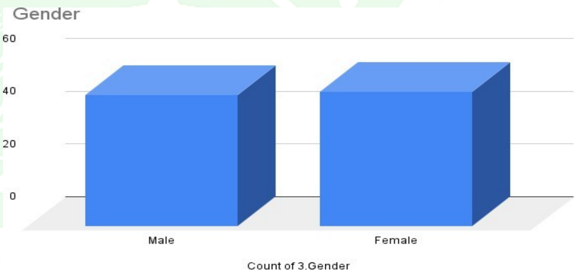
5. LIMITATION OF THE STUDY :

- The sample size was small and cannot be applied to the entire population.
- GST is new launched tax system so some complications are faced by the peoples.
- The paper highlight the impact of goods and services(GST) on general public.
- This research is an attempt to deal and study with mathematical aspects to calculate its impact and general public.

6. CONCEPTUAL FRAMEWORK OF DATA ANALYSIS :

6.1. GENDER OF THE RESPONDENTS :

The researcher has classified the respondents on the basis of Gender and the results are highlighted in figure 01:



(Source: Primary Data) Figure - 01

Figure: 01 explains that out of 100 respondents, a majority of 50.5 per cent of the respondents are female and the remaining 49.5 per cent of the respondents are male.

6.2. OCCUPATION :

The researcher has analyzed the occupation of the respondents. The gathered details are shown in figure 02:

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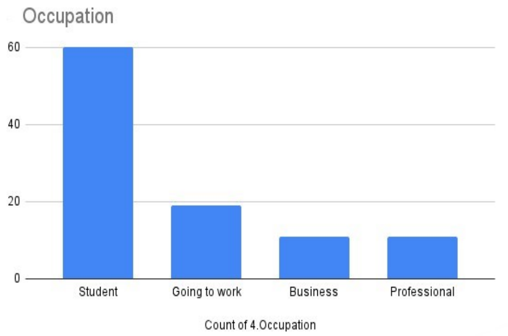
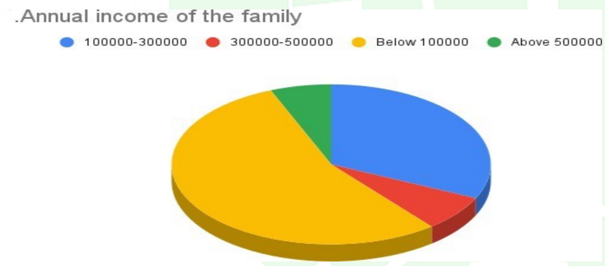


(Source: Primary Data.) Figure - 02

It is clear from figure 02 that among 100 respondents, 59 per cent of respondents are students, 19 per cent of respondents are going to work, 11 per cent of respondents are doing business and remaining 11 per cents are professionals.

6.3. ANNUAL INCOME OF THE FAMILY :

The researcher has analyzed the annual income of the respondent's family. This details are enlisted in Figure 03:



(Source: Primary Data) Figure-03

This enquiry indicates that out of 100 respondents, 56 per cent of respondents Family have annual income Below Rs.100000, followed by 32 per cent of respondents have income of Rs.100000 - 300000, followed by 7 per cent of respondents have income of Rs.300000- 500000 and remaining 5 per cent of respondents have above Rs.500000.

6.4. STATUS IN THE SOCIETY :

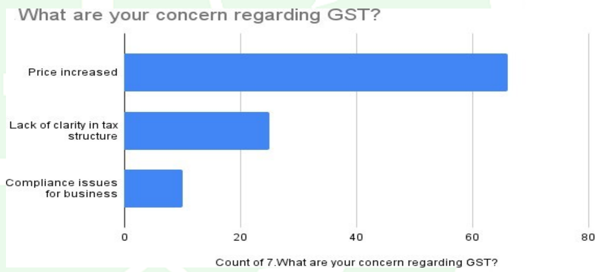
The researcher has analyzed the status of respondents in the society and that details are listed below in Figure 04:

(Source: Primary Data) Figure 04

Figure-04: Clearly shows that out of 100 respondents, majority 88 per cent of respondents belongs to middle class, 7 per cent of respondents are belongs to poor classes and remaining 5 per cent are belongs to well settled in society.

6.5. CONCERNS REGRADING GST :

The researcher has gathered the public's concerns regarding GST and it enlisted on Figure 05:



(Source: Primary Data) Figure 05

The above chart describes the concerns that out of 100 respondents, 65 per cent of respondents feels price has increased due to GST, 25 per cent of respondents feels GST has lack of clarity in tax structure and remaining 10 per cent of respondents feels due to GST there are some compliance issues for business.

6.6. IMPACT ON ESSENTIAL GOODS AND SERVICES :

The researcher has analyzed the impact of GST on essential goods and services and the results is listed at below Figure 06:

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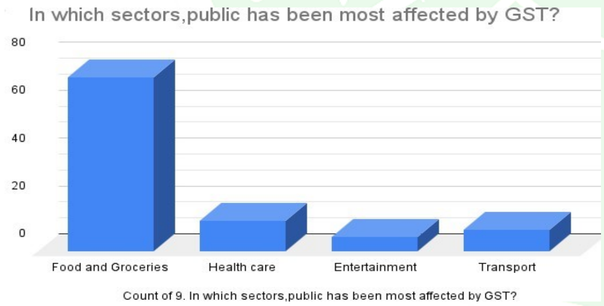
(Source: Primary Data) Figure 06

Out of 100 respondents, majority of 79 per cent of respondents says price are increased on essential goods and service due to the implementation of GST, followed by 14 per cent of respondents feels price of essential goods have affordable price, followed by 3 per cent of public says the prices are decreased after GST and remaining 4 per cent of public feels, there is no change in price of essential goods even after introduced of GST.

6.7. IN WHICH SECTOR, PUBLIC HAS BEEN MOST AFFECTED BY GST:

The researcher has analyzed the sectors which is mostly affected the public through the implementation of GST and it will listed below figure 07: –

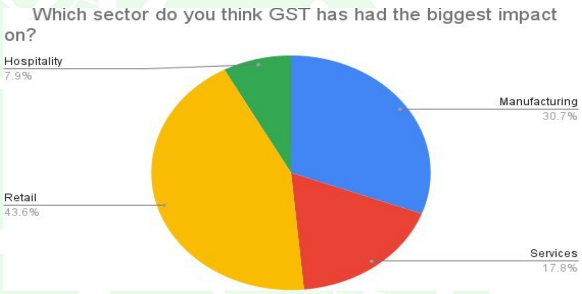


(Source: Primary Data) Figure 07

It shows the sectors which is public has been most affected by GST, such sectors are Food and groceries, Transport, Health care and Entertainment. 72 per cent public has been affected by Food and groceries sector, followed by 13 per cent of respondents affected at Healthcare, followed by 9 per cent of public has been affected by Transport and remaining 6 per cent of respondents are affected by Entertainment sector due to GST implementation.

6.8. IMPACT OF GST ON CERTAIN SECTORS:

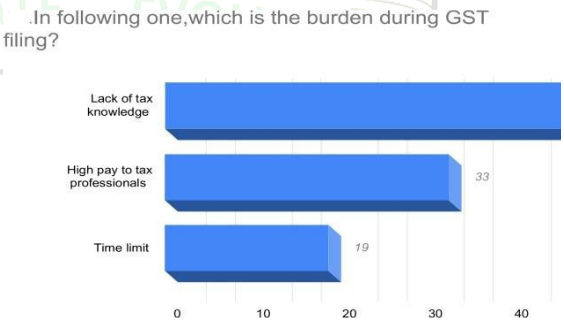
The researcher describes the sectors which is impact due to implementation of GST, some sectors like Manufacturing, Retailing, Service sectors and Hospitality centre. By the way of survey, 44 per cent of respondents says Retailing Sectors has get more impact after GST , followed by 31 per cent of respondents says Manufacturing sectors, followed by 17 per cent of public choose service sector and remaining 8 per cent of respondents says GST has impact on Hospitality sector as well as.



(Source: Primary Data) Figure 08

6.9. BURDEN DURING GST FILING:

After implementation of GST, there are some issues arises such as GST filing, Lack of tax knowledge, Require tax specialist for filing return. The researcher has analyzed the above listed burdens, among out of 100 respondents, 49 per cent of public have Lack of tax knowledge and first they need awareness about the tax structure, followed by 33 per cent of respondents feels pay the high amount for GST filing to the Tax professionals and remaining 18 per cent of respondents facing timit limit problem for Return filing. It is listed below Figure 09:



(Source: Primary Data) Figure 09

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6.10. ITEM'S PRICE HAS INCREASED DUE TO GST:

Below figure 10, display some product's price has increased after the implementation of GST by the way of increase the Tax Regime on certain products. The researcher has analyzed among out of 100 respondents,

(Source: Primary Data) Figure 10

Figure 10 deals with 59 per cent of respondents says the price of Household Products increased due to increase the tax rate on it, followed by 22 per cent of public says Mobile Bill's price increased both pre paid and post paid bills, followed by 13 per cent of respondents feels, the price of Clothing and Footwear has increased and remaining 6 per cent of respondents says the price of Cosmetics has increased.

7. CONCLUSION :

This study highlighted the overall overview of GST among public, friends as well as relatives. The government need to improve the GST regime and making awareness about tax structure . GST system is making general public's life simpler by adopting this **"ONE NATION, ONE MARKET, ONE TAX"**. GST have both positive aspects and negative aspects. The main reason of implementing GST is reduce the burden of paying multiple taxes into one tax and eliminate the cascading effect (ie., Tax on tax system). But among most of us have lack of knowledge on GST. Under this study some public suggests for a government try to get an uniform tax can impose on each product and need exemption for basic needs of product. As well as, make a awareness about GST by making short film.

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7. Awareness and Perception of Taxpayers towards Goods and Services Tax (GST) Implementation Mohamad Ali Roshidi Ahmad[1]*, Zuriadah Ismail[2], and Hazianti Abdul Halim[3] Email: roshidi@fpe.upsi.edu.my [1'2'3]Faculty Management and Economics, University Pendidikan Sultan Idris, Tanjung Malim, Perak, MALAYSIA DOI:10.6007/IJARBSS/v6-i11/2375 URL: http://dx.doi.org/10.6007/IJARBSS/v6-i11/2375