

Research Project Report on Customer Perception Towards
**“GST(GOODS AND SERVICES TAX)-ONE NATION ONE TAX
IN NOIDA (UTTAR PRADESH)”**

FOR THE PARTIAL FULFILMENT OF THE REQUIREMENT
FOR THE AWARD OF
BACHELOR OF COMMERCE
UNDER THE GUIDANCE OF
Prof. PRIYANKA GOEL

Submitted By
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My special thanks to my parents for generic cooperation coordination and valuable support .I pay my gratitude towards my other faculty members .I must not forget to render my deep feelings of gratitude and thanks to all the respondents whom I must not forget render my deep valuable information ,co-operation ,advice and suggestion to make this endeavor a great success.

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CERTIFICATE

This is certified that the project report entitled “ Research Project Report on Customer Perception Towards **“GST(GOODS AND SERVICES TAX)-ONE NATION ONE TAX IN NOIDA (UTTAR PRADESH)”** ” is prepared and submitted by PREETI RANI bearing Admission No.17GAFC101073 in partial fulfillment of the requirements for the award of degree of **“BACHELOR OF COMMERCE”** in School of finance and commerce with Specialization in B.COM(Honours) , from Galgotia University, Greater Noida during the academic year **2019-2020**.

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DECLARATION

I, PREETI RANI Roll NO. 17GSFC101073 student of School of finance and commerce, Galgotias University ,Greater Noida ,hereby that the project report on “customer perception towards GST(GOODS AND SERVICES)-ONE NATION ONE TAX” is an original and authenticated work done by me.

I further declare that it has not been submitted elsewhere by any other person in any of the institute for the award of any degree or diploma.

Name and signature of the student :

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ABSTRACT

The much- long awaited and the biggest indirect tax reform Goods and service Tax i.e. GST has been introduced by government of India in India since July 1, 2017 by making an 122nd amendment in the constitution and converting India into a unified market of 1.35 billion citizens. Goods and Service tax (GST) was actually implemented on the motto of “One Nation, One Tax”. This single indirect tax is the combination of many indirect taxes of center and states such as Value Added Tax (VAT), Central Excise Duty, Central Sales Tax (CST), State Tax, Service Tax etc. The GST leads to the dismantling all the inter-state trade barriers and different taxes. As it was presented and touted at the time of its launch that this tax will be one of the biggest game changer and it will change the Indian economy and shape it in new way. It was said that it will help businessman and manufacturer by abolishing multiple taxes, tumbling effects of taxes, plummeting tax evasion and corruption. It will bring more transparency in collection of taxes and ultimately increasing government revenue by widening tax base and GDP of the country. It is still a complex tax system and our government is facing many difficulties in implementation of GST. It becomes cumbersome for the businessmen as they cannot understand this tax system properly. So, I decide to do a survey on the GST and want to know about the difficulties and ease of GST from Indian Citizen. What are their thought regarding GST?

This Project work has purpose to examine the key factors which contributed to the customers perception and thought towards Goods and Services Tax (GST) in Noida, Uttar Pradesh. In this survey work, several identifiable variables and parameters were taken in consideration such as tax knowledge, tax morale, tax compliance and by using a set of questionnaire as a research instrument. There are 100 sets of questionnaire which are used to find out the general perception of GST on Citizens life. The distributed multiple regression analysis was used to test cause of relationship among tax knowledge, tax morale and tax compliance with taxpayer’s awareness on GST. The result revealed that all of three independent variables and parameters were found to have significant impact towards the public awareness on Goods and Services tax(GST).

EXECUTIVE SUMMARY

This survey work showed the path of deeply understanding the “thoughts and perceptions of customers of Noida, UP on our taxation system i.e. Goods and Service tax (GST)”.

The main aim of this survey work is to find out the thinking, suggestions and perception of common people in Noida, UP about the Goods and Service tax (GST). Thinking behind this survey work to find out the ease, difficulties faced by the consumers, businessman.

Basically, this survey work constitutes of five chapters and the chapters are in the sequence of Introduction, Literature Review, Research Methodology, Data Analysis and Interpretation and Summary, Findings, Conclusion respectively.

The first chapter in my study represents the introduction of our new taxation system, its history and how did it take shape. This chapter also shows the background of GST taxation system, difficulties in its implementation, effects of this taxation system in India as well as Abroad. First chapter also presents the concept of GST, its structure, its type and impact on Indian economy.

The second chapter in my survey work shows the Literature review in which I study the different research work, journals, books etc. These sources of knowledge provide me better understanding of GST and I come to know about the different aspects. I have mentioned those research works, publication in Literature Review.

The third chapter in my study represents the research methodology in which I show the need of this survey work, scope of this study and objective of this study. This chapter shows my method of working. It includes sample size, sample design, the questionnaires and data collection.

The fourth chapter in my survey work is Data Analysis and its interpretation. In this chapter, I have done the analysis the collected data in the form of pie charts, circle diagrams. These interpretation shows the both positive and negative impacts of GST on consumers.



GOODS AND SERVICES TAX

One Nation One Tax

Chapter 1

INTRODUCTION

Concept and Introduction of Tax:

Taxation is the integral power of the state or country to impose and demand contribution upon persons, properties, or right the purpose of making revenues for public purposes.

Taxes are imposed proportional support from persons to property levied by the law making body of the state by virtue of its sovereignty for the support of the government and all public needs.

Brief history of Taxation:

Tax is today a significant source of revenue generation for the government in all the countries. More than 3000 years ago, the peoples of ancient Egypt and Greece used to pay tax, consumption taxes and custom duties. Income tax was first presented in 1860 by James Wilson who become Indians first Finance Member.

In order to cope up with the losses sustained by the government on account of military defiance of 1857. In 1918, A New Income Tax bill was introduced and which was further again change in 1922. The ministry of Law and Finance passed The Income Tax in 1961 and brought came in for implementation on 1 April 1962 and this is also known as the Financial Year in current year.

TAXATION SYSTEM

The system of raising money for the finance of government. All government require money in the form of taxes from people.

Government use revenues for the payment of soldiers, police, government employees. These revenues also use to build dams, buildings and roads, to operate schools and hospitals, to provide food to the poor and medical care facilities etc. There are lots of other purposes which require money and without tax to fund its activities government could not manage to work.

So, taxation is the main source of revenue generation for government and economy of any nation depends on it.

ESSENTIALS CHARACTERSTICS OF TAX:

- It is generally payable with money.
- It is proportionate in character, usually based on ability to pay.
- It is levied on person and property with the jurisdiction of the state.
- It is levied for public purposes.
- It is commonly required to be paid at regular intervals.

Why taxes are levied?

The reason for levy of taxes is that they constitute the basic source of revenue for the government and revenue so raised is utilized for meeting the expenses of government like, defense, provision of education, health care infrastructure facilities like roads dam etc.

What are the reasons of taxation?

- 1) Provide the basic facilities for every citizen of country.
- 2) Financing government on multiple projects and schemes.
- 3) Protection of life.
- 4) Responsibility of citizen to the nation

Meaning of Tax:

The word Tax came from Latin, Taxo, tax is'' which means to assess or estimate.

''The compulsory payments made to government associated with certain activities are called Taxes.

A general compulsory contribution by the public treasury to meet the expenditure of government is called Tax.

A specific amount of money demanded by government from its public and amount levied on their income, sale, wealth etc.

Taxes are the price we pay for a civilized society.

Tax in general, is the imposition of financial charge upon an individual or a company by the government of India or their respective state or similar other functional equivalents in a state. the computation and imposition of the varied taxes prevalent in the country are carried out by the ministry of finance & department of revenue.

Different types of taxes are:-

Direct taxes are as:-

Corporate tax

Income tax

Gift tax

Minimum alternate tax

Indirect taxes are as:-

Sales tax

Value added tax

Goods and services tax

Excise

Type of taxes in India:-

Occurrence of various kinds of taxes are found in India. Taxes in India can be either direct or indirect. However, the type of taxes also depends on whether a particular tax is being levied by the central or the state government or any other municipalities. Following are some of the major Indian government taxes are:

1. Direct taxes:

It is named so because it is directly paid to the union government of India. As per a survey report, the republic of India has witnessed a consistent rise in the collection of such taxes over a period of last few years. The visible growth in these tax collection as well as the rate of taxes, which are imposed by the Indian government.

- Baking cash transaction tax
- Corporate tax
- Capital gains tax
- Double tax avoidance treaty
- Fringe benefit tax
- Securities transaction tax
- Personal income tax
- Tax incentive

2. Indirect taxes:

As opposed to the direct taxes, such a tax in the nation is generally levied on some specified services or some particular goods. An indirect tax does not levy on any particular organization or an individual. Almost all the activities, which fall within the periphery of the indirect taxation, are included in the range starting from manufacturing goods and delivery of services to those that are meant for consumption.

Remedies by which the consumption tax can be made progressive in nature.

Background of Goods and Service tax outside of India

Goods and service also known as the value added tax or harmonized sales tax following are some successfully implement GST models in other countries:

- 1) France: rate of GST 19.6%, France was the first country which introduced GST in 1954. Almost 150 countries have introduced GST in one or the other form. Most of the countries have a unified GST system. Brazil and Canada follow a dual system vis a vis India is going to introduce. In china, GST applies only to goods product and the provisions of repairs, replacements and processing services.
- 2) Australia: Rate of GST is 10%, GST is administrated by the tax office on behalf of the Australian Government, and is appropriated to the state government and territories. Every single company whose turnover exceed the limit of 75000\$ is liable for registration under GST and in default 1/11 of the income and some amount is for penalty.
- 3) Canada: GST is enforced at 5% in part IX of the excise tax act. GST is levied on goods and service made in Canada except items that are either exempt or zero rated. When suppliers make a zero rated supply, they are eligible to recover any GST paid on purchases but the suppliers who make a supply of exempt goods they are not eligible take input tax credit on purchases for the purpose of goods and services.

CONCEPT OF GOODS AND SERVICE TAX

Introduction of GST

The reference of GST was first made in the Indian Budget in 2006-07 by Finance Minister Mr. P. Chidambaram as a single centralized indirect tax. The GST constitution (122) amendment bill 2014 was introduced on December 19, 2014 and passed on May 06, 2015 in the Lok Sabha and yet to be passed in the Rajya Sabha.

The bill seeks to amend the constitution to introduce goods and services tax vide proposed new article 246A, this article gives power to legislature of every state and parliament to make laws with respect to goods and services tax, where the supplies of goods or of service take place. Recently, union minister Mr. Arun Jaitley said that GST could be implemented as early as January 1, 2016

Note: The word bill may be interpreted as the Constitution (122) amendment bill 2014.

GST IS DIVIDED INTO 2 PARTS

1. Central GST

Central excise Duty

Additional excise Duty

Service Tax

Countervailing Duty

Additional duty of customs

Surcharge, Education and Higher Secondary Cess

2. State GST

VAT/ Sales tax

Purchase tax

Entertainment Tax

Luxury tax lottery tax state surcharge and cesses legible on the above as of now.

MEANING OF GST

The goods and services tax (GST) is a value-added tax levied on most goods and services sold for domestic consumption. The GST is paid by consumers, but it is remitted to the government by the businesses selling the goods and services. In effect, GST provides revenue for the government. The goods and services tax (GST) is an indirect federal sales tax that is applied to the cost of certain goods and services. The business adds the GST to the price of the product, and a customer who buys the product pays the sales price plus the GST. The GST portion is collected by the business or seller and forwarded to the government. It is also referred to as Value-Added Tax (VAT) in some countries

India established a dual GST structure in 2017, which was the biggest reform in the country's tax structure in decades. The main objective of incorporating the GST was to eliminate tax on tax or double taxation, which cascades from the manufacturing level to the consumption level.

There are basically three taxes applicable now in the current regime under the GST tax system:

CGST: It is collected by the Central Government on an intra-state sale

SGST: It is collected by the State government on an intra-state scale.

IGST: It is collected by the Central Government for inter-state sales.

Central Goods and Services Tax (CGST)

CGST is imposed on the intra-state supply of products and services. The Central Government levies CGST and it is supervised by the Central Goods and Services Tax Act. CGST has completely replaced all the past Central taxes such as Central Excise Duty, Customs Duty, Service Tax, SAD, CST, etc. It is charged to taxpayers with SGST. The rate at which CGST is charged is usually the same as the SGST rate, and the revenue collected under CGST is sent to the Central Government.

- **State Goods and Services Tax (SGST)**

SGST the same CGST discussed above. It is charged on the sale of products or services within a state. The State Government is liable for the levy of SGST. This tax replaces all the earlier taxes such as Entry Tax, Value Added Tax, Entertainment Tax, State Sales Tax, cesses, and surcharges. The revenue collected under SGST is sent to the State Government.

- **Integrated Goods and Services Tax (IGST)**

IGST is imposed on inter-state transactions of products and services. It is also levied on imports. The Central Government gets IGST and distributes it among states. IGST is levied if goods or services are shifted from one state to another. The tax was executed so that states would only have to deal with the Union Government rather than dealing with all states.

- **Union Territory Goods and Services Tax (UTGST)**

UTGST is levied on the supply of products and services in any of the Union Territories in the country, like Andaman and Nicobar Islands, Daman and Diu, Dadra and Nagar Haveli, Lakshadweep, and Chandigarh. UTGST is levied along with CGST.

Purpose of GST:

The two important purpose of GST are followings:

GST shall replace a number of indirect taxes being levied by central and state government.

Remove in cascading effect:

GST is intended to remove tax on tax effect and provides to common national market for goods and services.

Types of categories under GST rate:

The GST tax is levied based on revenue on neutral rate. For the purpose of imposing GST tax in India, the goods and services are categorized in to four categories-:

These are four categories of goods and services are follows-:

Exempted categories under GST in India:

The GST council and other GST authorities notify list of exempted goods. Such goods are not fallen under payment of GST tax. The authorities may modify or amend the list of items time to time by adding deleting any item if required by notification to public.

Essential goods and services for GST in India:

Essential category of goods and services are charged at very lower GST rate. Essential goods and services are the goods and services for necessary items under basic importance and requirement.

Standard Goods and services for GST in India:

GST RATE IN INDIA AT A GLANCE:

Exempted categories: 0

Commonly used goods and services: 5%

Standard goods and services fall under 1st slab: 12%

Standard goods and services fall under 2nd slab: 18%

Special category of goods and services including luxury goods: 28%

GST

1. Central goods and services tax (CGST): will replace all taxes levied by central government
2. State goods and services tax (SGST): will replace all taxes levied by state governments
3. Integrated goods and services tax (IGST): will replace CST.

Types of goods and services tax in India

1. CGST (central goods and services tax): GST to be levied by the center.
2. SGST (State goods and services tax): the GST is to be levied by the states is state GST (SGST)
3. IGST (integrated goods and services tax): Integrated GST will be levied by the center and the states concurrently.

Different taxes are cover under GST:

1. State taxes which will be subsumed in SGST:
 - VAT/Sales tax.
 - Luxury tax.
 - Entertainment tax (unless it is levied by local bodies)
 - Taxes on lottery, betting, and gambling
2. Central taxes which will be subsumed in CGST:
 - Central excise duty.
 - Additional excise duty.
 - Services tax.
 - The excise duty levied under the medical and toilet preparation Act.
 - Additional customs duty
 - Education less.
 - Surcharges.
3. Taxes that will not be subsumed:
 - Stamp duty
 - Electricity duty
 - Other entry taxes and entertainment tax (levied by local bodies).
 - Basic customs duty and safeguard duties on import of goods in India.
 - Professional tax.

Salient features of GST:

1. Utilization of Levy:

Levies from State GST (SGST) & Central GST (CGST) shall form part of State and the Centre respectively and no cross-utilization shall be allowed.

2. Availability of Tax Credit:

In respect of taxes paid on any supply of goods or services or both used or intended to be used in the course business.

3. Destination based Tax:

The GST is a destination based tax on consumption of Goods and Services. Hence the credit of SGST shall be transferred to the Destination State in the form of Integrated GST (IGST). IGST will be imposed on all Inter-State Transactions.

4. Assessment:

Registered person will be allowed himself to assess the taxes payable under the GST Laws and furnish a return for each Tax Period.

5. Threshold Limit:

There shall be a taxable limit (presently 10 Lakhs in North Eastern States & 20 Lakhs in rest of the county)

DIRECT AND INDIRECT TAXES

Direct Tax :It is a tax levied directly on a taxpayer who pays it to the Government and cannot pass it on to someone else.

- **Income Tax**- It is imposed on an individual who falls under the different tax brackets based on their earning or revenue and they have to file an income tax return every year after which they will either need to pay the tax or be eligible for a tax refund.
- **Estate Tax**– Also known as Inheritance tax, it is raised on an estate or the total value of money and property that an individual has left behind after their death.
- **Wealth Tax**– Wealth tax is imposed on the value of the property that a person possesses.

Indirect Tax: It is a tax levied by the Government on goods and services and not on the income, profit or revenue of an individual and it can be shifted from one taxpayer to another.

Earlier, an indirect tax meant paying more than the actual price of a product bought or a service acquired. And there was a myriad of indirect taxes imposed on taxpayers.

Let's discuss a few indirect taxes that were earlier imposed in India:

- **Customs Duty**- It is an Import duty levied on goods coming from outside the country, ultimately paid for by consumers and retailers in India.
- **Central Excise Duty**- This tax was payable by the manufacturers who would then shift the tax burden to retailers and wholesalers.
- **Service Tax**- It was imposed on the gross or aggregate amount charged by the service provider on the recipient.
- **Sales Tax**- This tax was paid by the retailer, who would then shifts the tax burden to customers by charging sales tax on goods and service.
- **Value Added Tax (VAT)**- It was collected on the value of goods or services that were added at each stage of their manufacture or distribution and then finally passed on to the customer.

Tax reforms & its implications

Old vs New Tax Regime

Existing tax slabs are as-:

- | | |
|---------------------|-----|
| • Up-to Rs 2.5 lakh | Nil |
| • Rs 2.5 - 5 lakh | 5% |
| • Rs 5 - 10 lakh | 20% |
| • Above Rs 10 lakh | 30% |

New tax slabs are as-:

- | | |
|---------------------|-----|
| • Up-to Rs 2.5 lakh | Nil |
|---------------------|-----|

- **2.5 lakh - 5 lakh** **5%**
- **5 lakh - 7.5 lakh** **10%**
- **7.5 lakh - 10 lakh** **15%**
- **10 lakh - 12.5 lakh** **20%**
- **12.5 lakh -15 lakh** **25%**
- **15 lakh and above** **30%**

Old tax regime

An individual with gross salary up to Rs 12.5 lakh claiming only deductions under section 80C (Rs 1.5 lakh), 80D (Rs 25,000) and standard deduction of Rs 50,000 will pay more tax under the new personal income tax regime. Lower the gross salary, higher the additional tax payable by individuals in the new tax regime claiming only these three exemptions (upto the amounts mentioned) in the old tax regime. Individuals claiming little as tax breaks are more likely to gain from the new regime (*Refer to Case I*). Actual loss or gain for taxpayers opting for new tax regime is to be calculated individually because the amount of exemptions/deductions claimed by them will vary.

Case 1:

Salaried individual not claiming any exemptions or deductions

Assuming no tax deductions or exemption are claimed in the existing personal tax regime, the individual with gross salary of Rs 7.5 lakh would save tax of Rs 15,600 if he/she opts for the new personal tax regime. At Rs 10 lakh, the individual would save Rs 28,600 in tax and at Rs 12.5 lakh he/she would save Rs 49,400. An individual earning Rs 15 lakh or above will save Rs 62,400 in tax.

Gross salary income level	Tax payable in existing regime	Tax payable in New Regime	Additional tax saving
----------------------------------	---------------------------------------	----------------------------------	------------------------------

Up-to 5 lakh	Nil	Nil	Nil
At 7.5 lakh	54,600	39,000	15,600
At 10 lakh	1,06,600	78,000	28,600
At 12.5 lakh	1,79,400	1,30,000	49,400
At 15 lakh	2,57,400	1,95,000	62,400
At 20 lakh	4,13,400	3,51,000	62,400

“If the salaried individual is claiming deductions under section 80C, 80D (medical premium), HRA housing loan taken for self -occupied property up to permissible limits, he is likely to be better off in the existing personal tax regime,”

Case 2

Salaried individual claiming most common deduction/exemptions, i.e. under sections 80C, 80D and standard deduction

Assuming the individual is claiming these tax breaks: standard deduction of Rs 50,000, deduction of Rs 1.5 lakh under section 80C and Rs 25,000 under section 80D for medical premium. In this case if the individual opts for the new personal tax regime then at gross salary of Rs 7.5 lakh the person will have to pay Rs 20,800 extra tax, at a gross salary of Rs 10 lakh the additional tax payable will be Rs 7,800 and at a gross salary of Rs 12.5 lakh the additional tax payable will be Rs 5,200. However, at a gross salary level of Rs 15 lakh or above the individual will save tax of Rs 7800. Therefore, a high earner claiming only these deductions is likely to save tax under the new regime but lower income earners up to gross salary of Rs 12.5 lakh will end up paying more tax.

Gross salary	Tax payable in existing	Tax payable in New	Additional tax saving
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income level	regime	Regime	(New - old)
At 7.5 lakh	18,200	39,000	(20,800)
At 10 lakh	70,0200	78,000	(7,800)
At 12.5 lakh	1,24,800	1,30,000	(5,200)
At 15 lakh	2,02,800	1,95,000	7,800
At 20 lakh	3,58,800	3,51,000	7,800

Case3

Salaried individual claiming more exemptions/deduction, i.e. under sections 80C, 80D, standard deduction and HRA exemption

Assuming the individual is claiming these tax breaks: standard deduction of Rs 50,000, deduction of Rs 1.5 lakh under section 80C and Rs 25,000 under section 80D for medical premium and HRA exemption (varied as per salary income level). In this case if the individual opts for the new personal tax regime then at gross salary of Rs 7.5 lakh (claiming HRA exemption of INR 150,000) the person will have to pay Rs 39,000 extra tax, at a gross salary of Rs 10 lakh (claiming HRA exemption of INR 200,000) the additional tax payable will be Rs 49,400, at a gross salary of Rs 12.5 lakh (claiming HRA exemption of INR 250,000) the additional tax payable will be Rs 59,800, at a gross salary of Rs 15 lakh (claiming HRA exemption of INR 300,000) the additional tax payable will be Rs 83,200 and at a gross salary level of Rs 20 lakh (claiming HRA exemption of INR 400,000) the additional tax payable will be Rs 117,000.

To see if the new regime is beneficial, each individual will have to make their own calculations. It will depend the level of deductions and exemptions you are claiming at the moment.

Gross salary income level	Tax payable in existing regime	Tax payable in New Regime	Additional tax saving
At 7.5 lakh	-	39,000	(39,000)
At 10 lakh	28600	78,000	(49,400)
At 12.5 lakh	70200	1,30,000	(59,800)
At 15 lakh	1,11,800	1,95,000	(83,200)
At 20 lakh	2,34,000	3,51,000	(1,17,000)

Some of the 70 exemptions and deductions you won't get in new regime.

- Section 80C investments
- House rent allowance
- Housing loan interest
- Leave travel allowance
- Medical insurance premium
- Standard deduction

- Savings bank interest
- Education loan interest

Here's how the new tax regime will affect the tax outgo of taxpayers at different income levels.

Income: Rs 15 lakhs

	Old Regime (without Deductions)	Old Regime (With Deductions)	New Regime
Income	Rs.15lakh	Rs.15lakh	Rs.15lakh

Deductions/Exemptions	Nil	Rs.2,00,000	Nil
Taxable Income	Rs.15,00,000	Rs.13,00,000	Rs.15,00,000
Tax	Rs.2,62,500	Rs.2,02,500	Rs.1,87,500
Cess@ 4%	Rs.10,500	Rs.8,000	Rs.7,000
Total Tax	Rs.2.73.000	Rs.2,10,600	Rs.1,95,000

Deductions assumed: Rs 1.5 lakh under Sec 80C; Rs 50,000 standard deduction

Income: Rs 30 lakh

	Old Regime (without Deductions)	Old Regime (With Deductions)	New Regime
Income	Rs.30 lakh	Rs.30 lakh	Rs.30 lakh
Deductions/Exemptions	Nil	Rs.4,25,000	Nil

Taxable Income	Rs.30,00,000	Rs.25,75,000	Rs.30,00,000
Tax	Rs.7,12,500	Rs.5,85,000	Rs.6,37,500
Cess@ 4%	Rs28,500	Rs.23,400	Rs.23,400
Total Tax	Rs.7,41,000	Rs.6,08,400	Rs.6,63,000

Deductions for Rs 30 lakh, Rs 60 lakh, Rs 1.2 crore: Rs 1.5 lakh under Sec 80C; Rs 50,000 standard deduction; Rs 25,000 under Sec 80D; Rs 2 lakh home loan interest under Sec 24.

Income: Rs 60 lakh

	Old Regime (without Deductions)	Old Regime (With Deductions)	New Regime
Income	Rs.60 lakh	Rs.60 lakh	Rs.60 lakh
Deductions/Exemptions	Nil	Rs.4,25,000	Nil

Taxable Income	Rs.60,00,000	Rs.55,75,000	Rs.60,00,000
Surcharge	Rs.1,61,250	Rs.1,48,500	1,53,750
Tax	Rs.17,73,750	Rs.16,33,500	Rs.16,91,250
Cess@4%	Rs.70,950	Rs.65,340	Rs67,650
Total Tax	Rs18,44,700	Rs.16,98,840	Rs.17,58,900

Surcharge @10%

Income: Rs 1.2 crore

	Old Regime (without Deductions)	Old Regime (With Deductions)	New Regime
Income	Rs. 1.2 crore	Rs. 1.2 crore	Rs. 1.2 crore

Deductions/Exemptions	Nil	Rs.4,25,000	Nil
Taxable Income	Rs.1,20,00,000	Rs.1,15,75,000	Rs.1,20,00,000
Surcharge	Rs.5,11,875	Rs.4,92,750	Rs5,00,625
Tax	Rs.39,24,375	Rs.37,77,750	Rs.38,38,125
Cess@4%	Rs.1,56,975	Rs.1,51,110	Rs.1,53,525
Total Tax	Rs.40,81,350	Rs.39,28,860	Rs.39,91,650

Surcharge @15%

Perception about study :

Meaning of perception

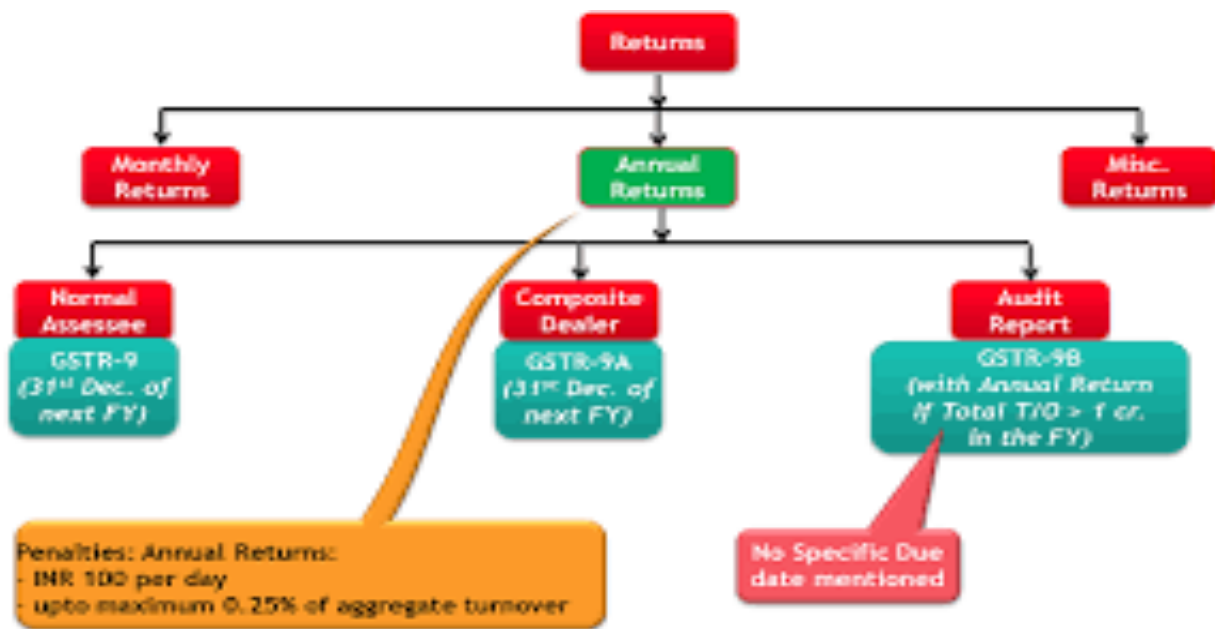
Perception from the latin word “ perception” is the organization ,identification, and interpretation of sensory information in order to represent and understand the presented information or the environment.

Based on previous studies ,perception can be made that individual with positive attitude towards tax ,commonly believed in equality and fairness in the tax system, tax administration and compliance with the commission of the tax law.

Positive attitude towards customers regarding tax system is important to individual have responsible towards development of our country.

Many opinion arise because consumer are interested to know how GST will effect interest with some agree and GST . Some peoples believed that GST would result in negative impact on their lives. This is proven by a number of studies related to the implementation of GST.

GST Returns



GST SLAB and structure of GST Rates:

Finalized GST Rate Card For Items

0%	No tax will be imposed on items like fresh meat, fish, chicken, eggs milk, butter milk , curd , natural honey, fresh fruits and vegetables , flour , besan, bread , Prasad , salt bindi. Sindoor , stamps , judicial papers , printed books , news paper , bangles , handloom etc.
5%	Items such as fish fillet , cream , skimmed milk powder , branded paneer , frozen vegetables , coffee, tea, spices , pizza bread rusk, sabudana , kerosene , coal , medicines , stent , life boats will attract tax of 5 percent.
12%	Frozen meat products, butter , cheese , ghee, dry fruits , in packaged form , animal fat , sausage , fruit juices , Bhujia, namkeen , Ayurvedic medicine, tooth powder , agarbatti , colouring books .picture books , umbrella , sewing machine and cellphones will be under 12 percent tax slab.
18%	Most items are under this tax slab which include flavoured refined sugar, pasta , cornflakes , pastries and cakes , preserved vegetables , jams , sauces , soups, ice cream , instant food mixes , mineral water , tissues envelopes , tempons , note books , steel product printed circuits , camera , speakers and monitors.
28%	Chewing gum ,mossales , chocolates not containing cocoa , wafers coated with chocolate, pan masala , aerated water paint , deodorants , shaving creams , after shave , hair shampoo , dye sunscreen , wallpaper , ceramic tiles , water machines , vaccum cleaner , shaves , hair clippers automobiles , motor cycles , aircraft , for personal use and yachts will attracts 28 percent tax.

CHAPTER 2

OBJECTIVE OF STUDY

OBJECTIVE OF STUDY

The proposed GST is likely to change the whole scenario of current indirect tax system. It is considered as biggest tax reform since 1947. currently, in India complicated indirect system is followed with imbrications of taxes imposed by unions and state separately. GST will unify all the indirect taxes under as umbrella and will create a smooth national market. Expert says the GST will help the economy to grow in efficient manner by improving the tax collection is it will disrupt all the tax barriers between states and integrate country by single tax rate.

GST was the first introduced by France in 1954 and now it is followed by 140 countries. The most of the countries followed unified GST while some countries like Brazil, Canada follow a dual GST system where the tax imposed by central and state both. In India also dual system of GST is proposed including CGST and SGST.

The aim of this research report is to understand the concept of GST and also discuss the effect of GST on leading sectors of Indian Economy. This research report is based on literature review

wherein secondary data is collected from various websites, newspaper, journals and different publications. The paper brings to light the challenges, positive and negative effects on different sectors in last one and half year (till Dec 2019) after implementation of GST. The aim of research paper is to consolidate all the details at one place so if anyone want to study the impact of GST on leading sectors they will have all the relevant details available at one place instead of searching different sources.

Garg (2014) analyzed the impact of GST on Indian tax scenario. He tried to highlight the objectives of the proposed GST plan along with the possible challenges and opportunity that GST brings. He concluded that

GST is the most logical step in Indian indirect tax reforms. Further he mentioned that experts say that GST is likely to improve the tax collection and boost the economic development of the country.

Kumar (2014) concluded that GST will help in eradicating economic distortion by current Indian tax system and is expected to encourage unbiased tax structures which will be indifferent to geo locations.

Sehrawat & Dhanda (2015) conducted a study focused on advantages and challenges of GST faced by India in execution. They concluded that a simplified and transparent tax system was the need of Indian economy. Pointing out the various advantages they said that GST will provide India a world class tax structure and a seamless tax system but it will depend upon effectiveness of its implementation.

Khurana & Sharma (2016) conducted a study with a view to explore various benefits and opportunities of GST by throwing a light on its' background, objectives of proposed GST plan and its impact on Indian tax scenario. They concluded that GST implementation will definitely benefit producers and consumers although its' implementation requires concentrated efforts of all stake holders especially central and state government.

Munde & chavan (2016) conducted a study to discuss the pros and cons of GST and accordingly make suggestions to minimize loopholes and make it more effective. They concluded that if the probable loopholes are dealt effectively, tax payers will accept the change brought upon and if procedures in GST proves to be simple and assures the involvement off interest of all stakeholders then definitely it will lead to economic development and rationalization of prices.

Lourdunathan & Xavier (2017) conducted a study based on exploratory research technique on the basis of past literature to study the opinions of manufacturers, traders, society etc. about the GST and the challenges and prospects of introducing GST in India. They concluded that no doubt GST stands with one tax one nation slogan and will provide relief to producers as well as consumers. Its efficient implementation will lead to resource and revenue gains. They also said that seamless credit and return processing without human intervention requires to educate, train, and conduct workshops on GST on the part of government.

CHAPTER 3

RESEARCH METHODOLOGY

Research methodology:

The research methodology used in the research to know the perception of the customer, manufacturer and retailer about the GST (GOODS and SERVICES TAX). Defined research as a systematic campaign to gain new cognition .The research methodology is the fashion to figure

out the research problem and acquire the info systematically. The aim of this chapter is to discourse the methods used in research. In this chapter, we can see the step is generally adopted to know how to collect analysis, data interpretation.

About my Research problem: GST is a new phenomenon in India, there are hardly any studies in this area. Specially there is a huge gap of empirical and behavior studies on GST in India. The studies try to find the significance of popular perception regarding GST.

The title of Project Report:----- A Study on Customer Perception towards Goods and Service Tax in NOIDA,(Uttar Pradesh)

Objective of study:

- customer perception regarding Goods and Service Tax(GST)
- To asses customers view regarding important of GST in NOIDA.
- To find out perception and their views on new implemented taxation system

Development of research plan has the following:

- Sample Design: sample is a group of few items, which shows the population. Sample design is imperative in every scientific study. Hence, the researcher decided to collect the through multi stage sampling.
- Sample size: The sample size of study was **100**.

DATA COLLECTION:

PRIMARY DATA: The primary data collected directly from the respondents using data collection like survey interviews, questionnaires and direct observation.

SECONDARY DATA: The secondary data that already exists which has been collected by other person , like magazines , newspaper, internet ,journal and books.

CHAPTER 4

Data Analysis & Interpretation

DATA ANALYSIS & INTERPRETATION

Data Analysis

The data collected 100 respondents have to analysis for the d conclusion. So in this chapter has been made to analysis and interpret the collective data towards perception of customers of NOIDA ,Uttar Pradesh on “Goods and Service Tax” through questionnaires.

First collected data have been presented in Percentage and Pie Charts.

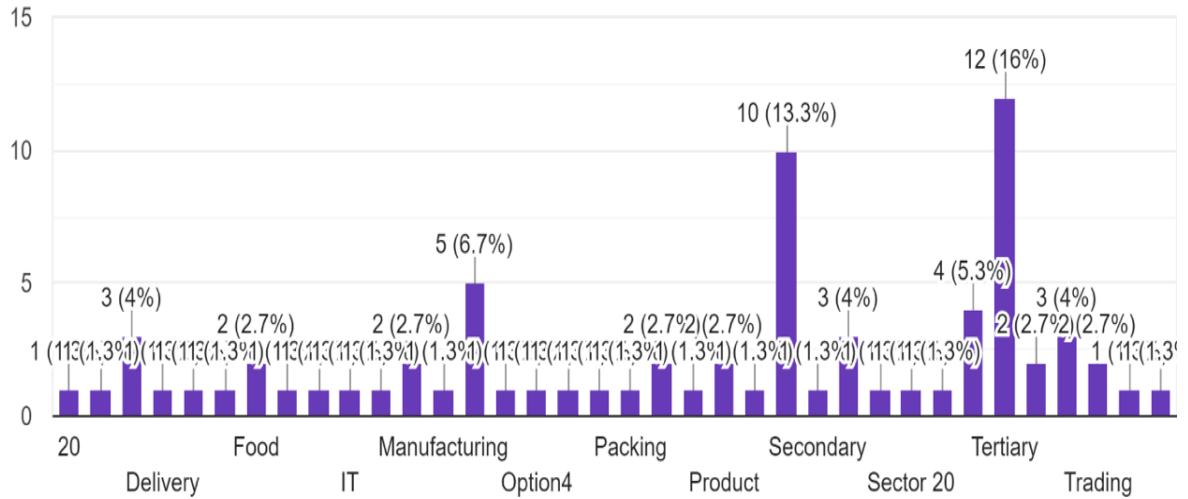
A brief description of analysis and interpretation given below:

‘

Table No.1 .1 Respondents are on the basis of Product and Sector

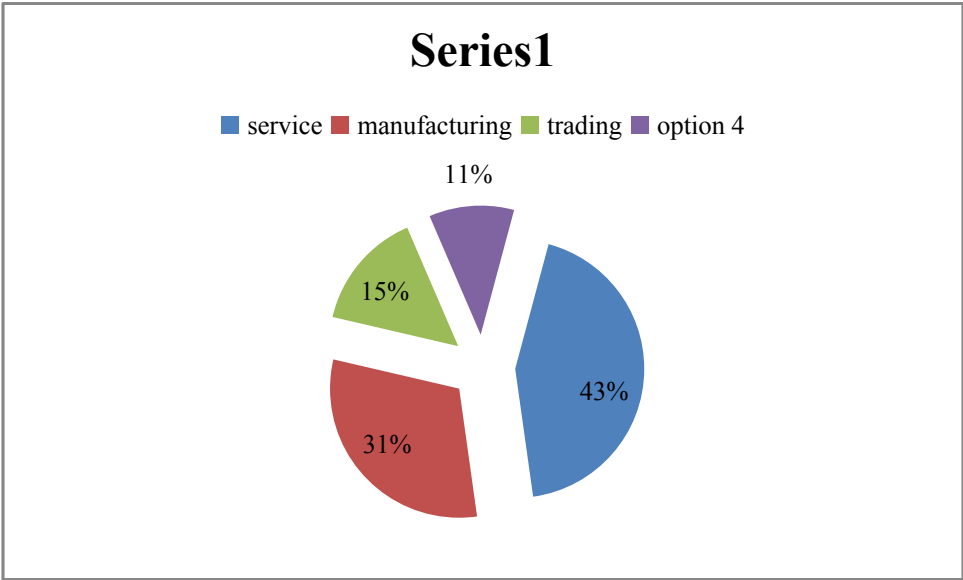
Sector/Product

75 responses



Source : Data collection from the primary data through questionnaire.

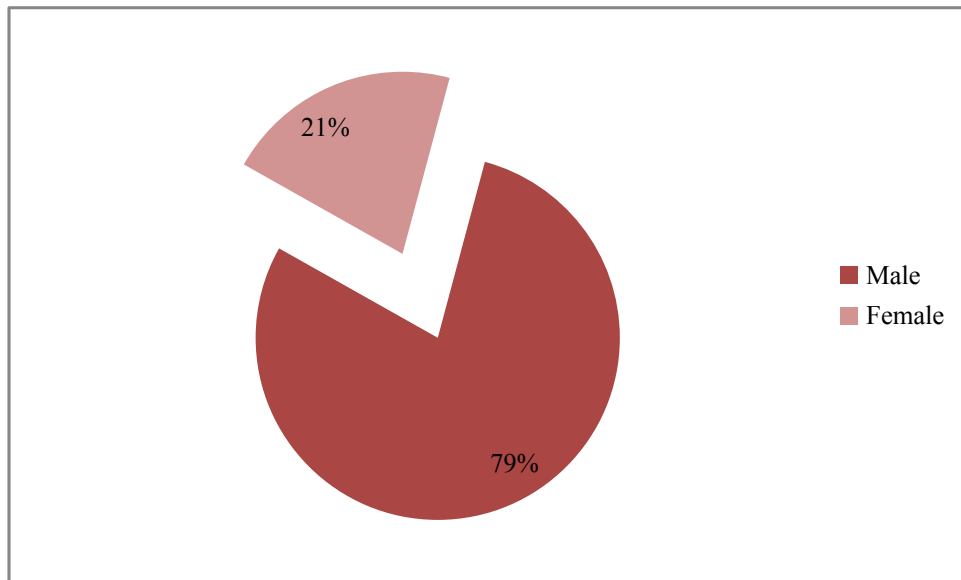
Table NO. 1.2 Classification of the respondents are on the basis of ‘CATEGORY’



Intepretation:

From the above table no.1.2 the majority of respondents of service i.e 45.4% , after services , there is respondents of manufacturing , after manufacturing there is Trading and then rest of the other option.

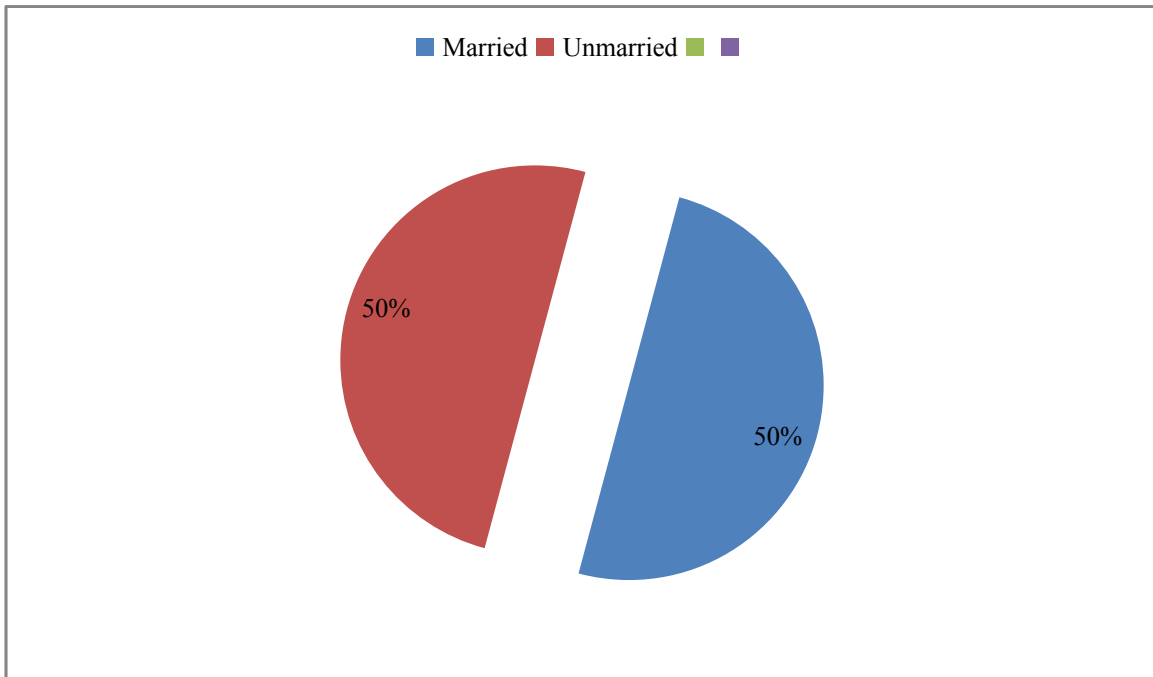
Table No. 1.3 Classification of respondents are on the basis of 'GENDER'



Interpretation:

From the above table no.1.3 it is shows that the majority of respondents are Males 79% and Females are 21% , thus it shows the majority of interest in business activities of Males .

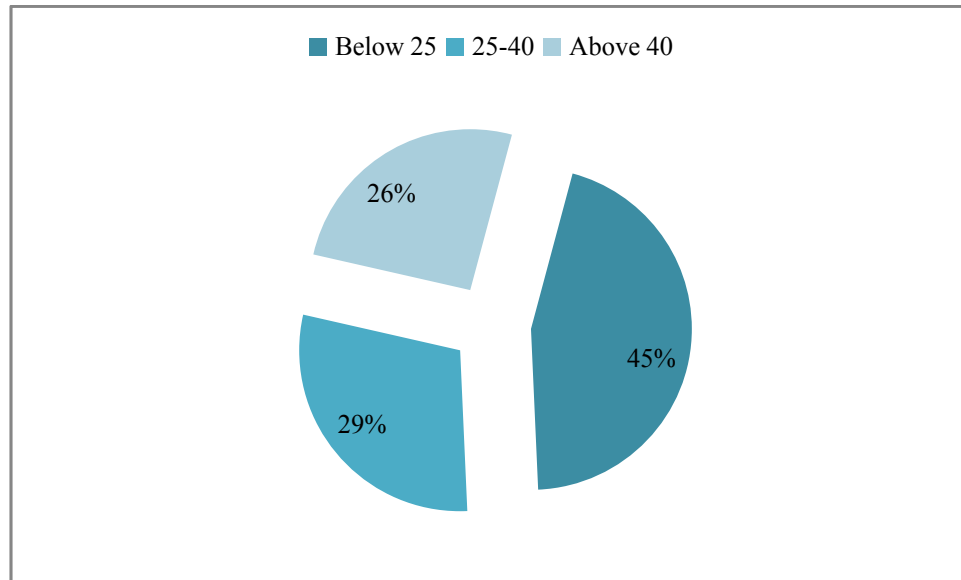
Table NO.1.4 Classification of respondents are on the basis of 'STATUS'



Interpretation:

From the table no.1.4 it shows that the majority of Married is 51% and the rest of the Unmarried 49% . According to this observation maximum respondents are married.

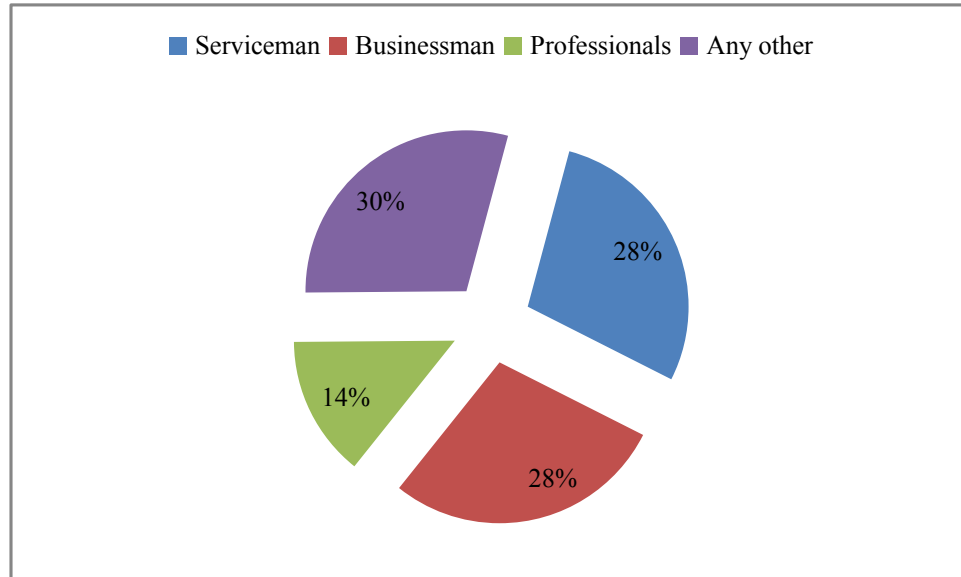
Table NO. 1.5 Classification of the respondents are on the basis of “AGE GROUP”



Interpretation:

From the above table 1.5 there is the is majority of respondents that is 45% are 25-40 years where 29% belongs to below age 25 years young generation who clearly or studied about the GST and rest of the 26% that are above 40 years . Thus it conclude that there are majority of the young generation with the age of 40years .

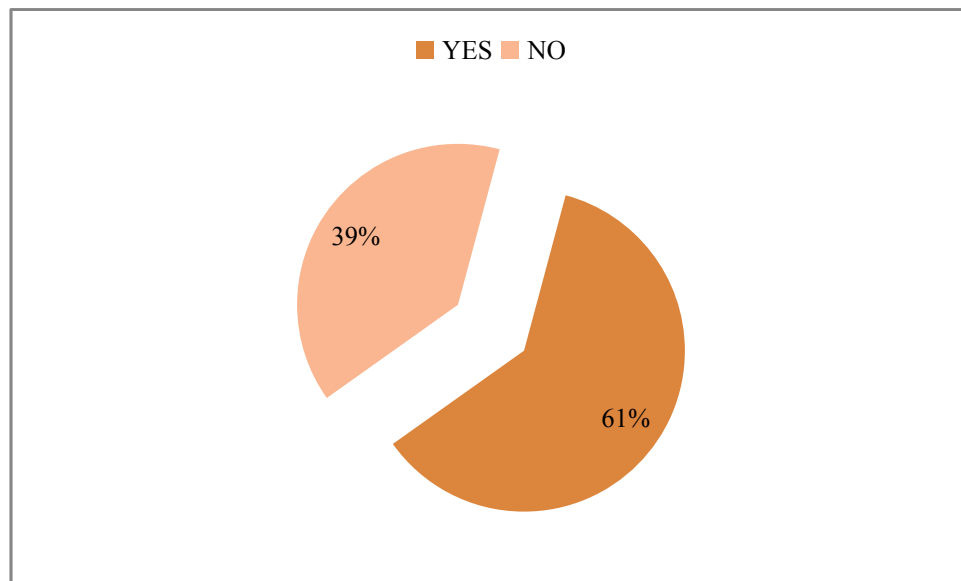
Table No. 1.6 Classification of respondents on the basis of “OCCUPATION”



Interpretation :

From the table no. 1.6 it depicted that the maximum respondents of the any other like customers 30% . and as well as businessman and service man 28% respectively. Where professionals are 14% respectively . That can be conclude that the majority are customers.

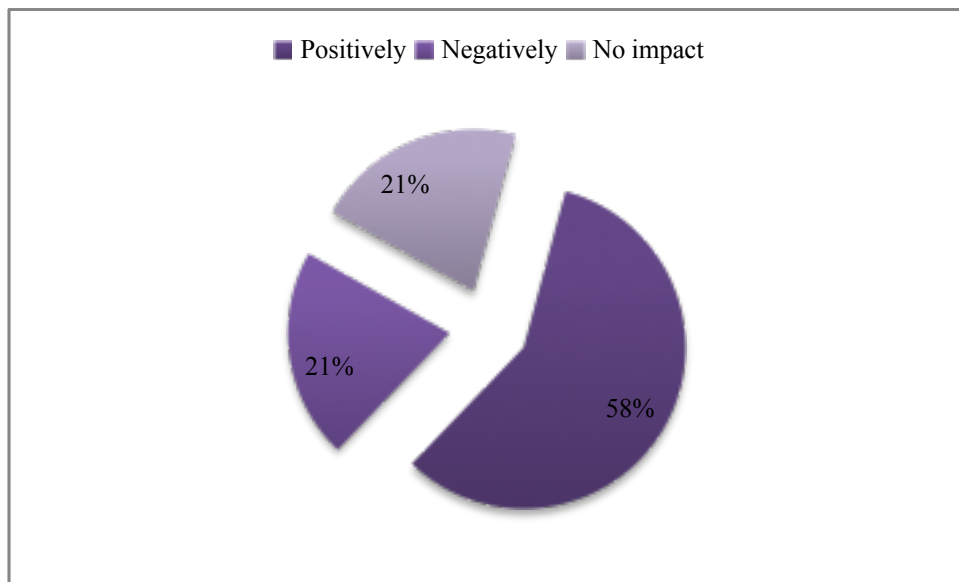
Table No. 1.7 Classification of the respondents “Implementing GST will cause higher price of Goods and Service”?



Interpretation :

From the above table no.1.7 the majority of the respondents is “YES” 61% where the respondents think that GST implementation causes the higher price of goods and services. And the respondents are “NO” 39%. It concludes that customers think that GST causes high prices of goods and services.

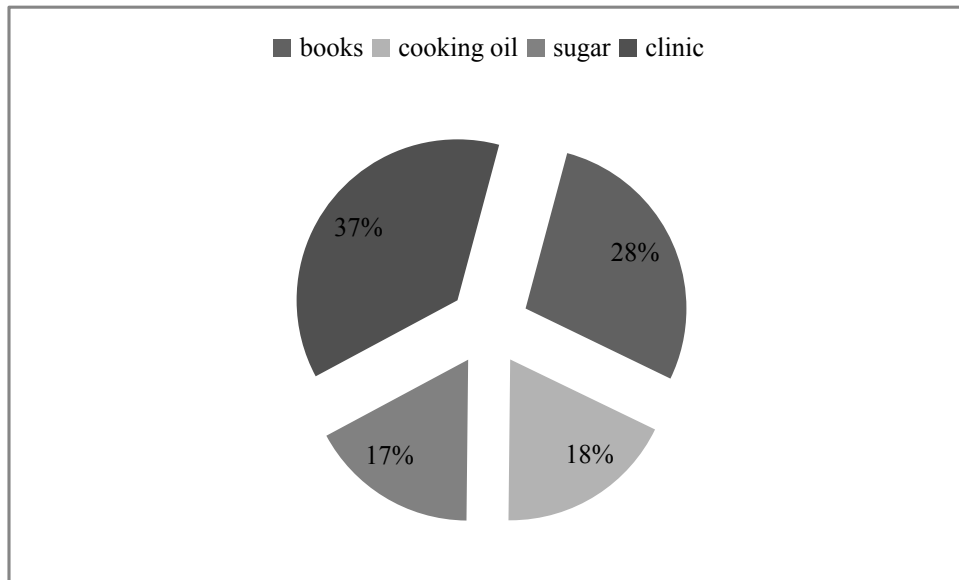
Table No. 1.8 Classification of the respondents on the basis of GST affected the demand of the product and service?



Interpretation:

In the above table no.1.8 where, the maximum respondents are responses positively, the GST affect the demand of products and services are 58%, and the negative responses are 21%.and rest responses are 21% that there is no impact of the GST on the demand of goods and services.

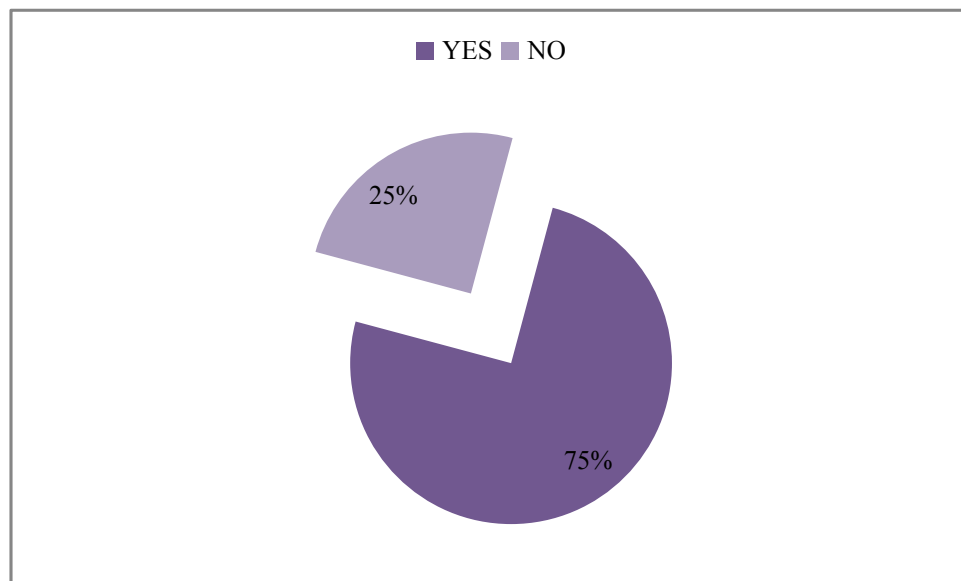
Table No. 1.9 Classification of respondents on the basis of “ which of the items are not subject to GST”?



Interpretation :

From the above table no. 1.9 the respondents of the clinic is 37% is maximum. Then the respondents of the books are 28%, the respondents of the sugar is 18% and rest is the cooking oil that is 17%. Thus , it conclude that the repondense of the clinic is maximum.

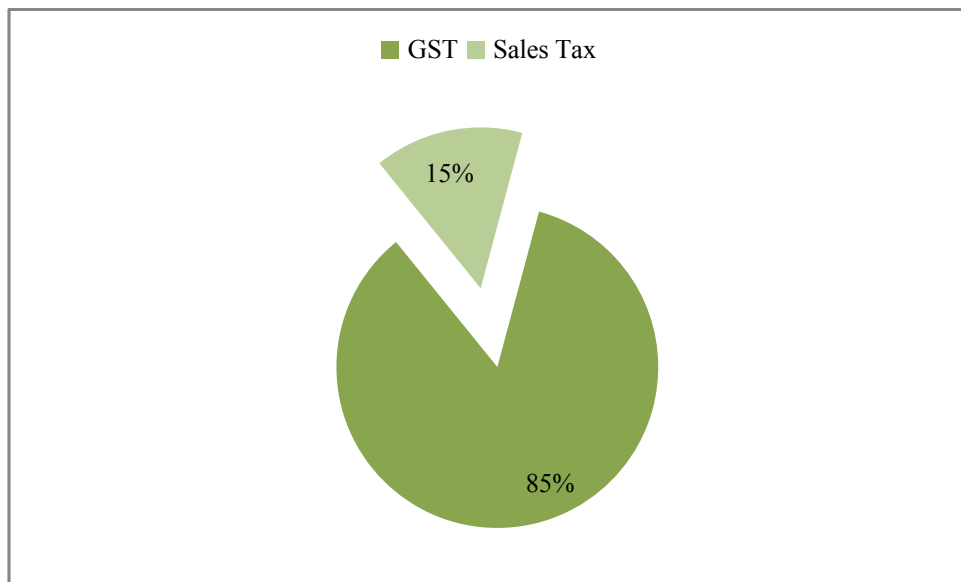
Table No. 1.10 Classification of the respondents are on the basis of Is all business needs to registered under the GST?



Interpretation:

From above the table no.1.10 the majority of the response is YES that is 75%, where every business should registered under the GST, and the response of NO is 25% ,where the respondents are think that it is not compulsory to registered in the GST. Thus , it conclude that majority is Registered under the GST is compulsory.

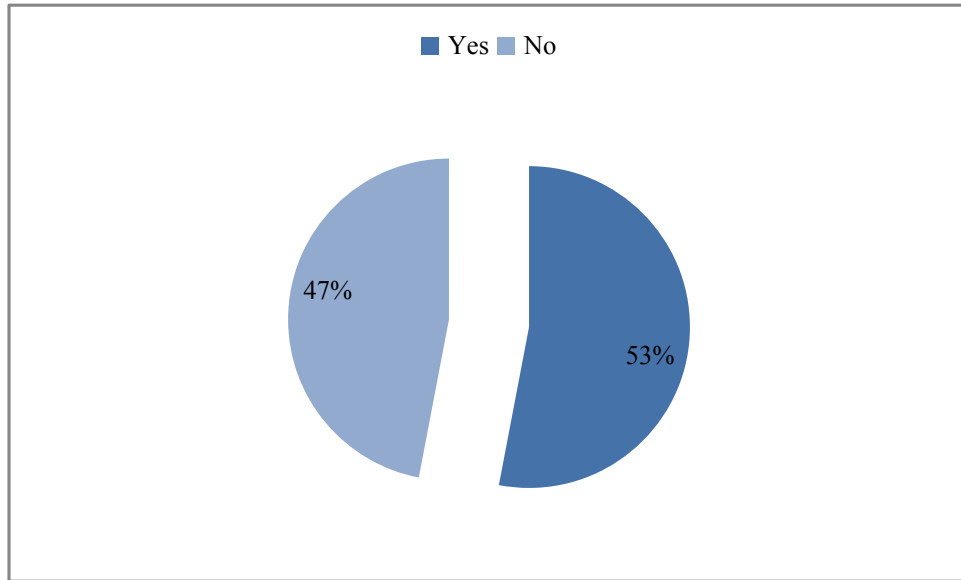
Table No.1.11 Classification of the respondents on the basis of the “ which system is more beneficial to both government and people?”



Interpretation:

From the above figure 1.11 the respondents of the Goods and Services 86 % maximum and the Sales Tax and Service Tax is 14% . thus, it conclude that majority of the GST is more than the Sales Tax.

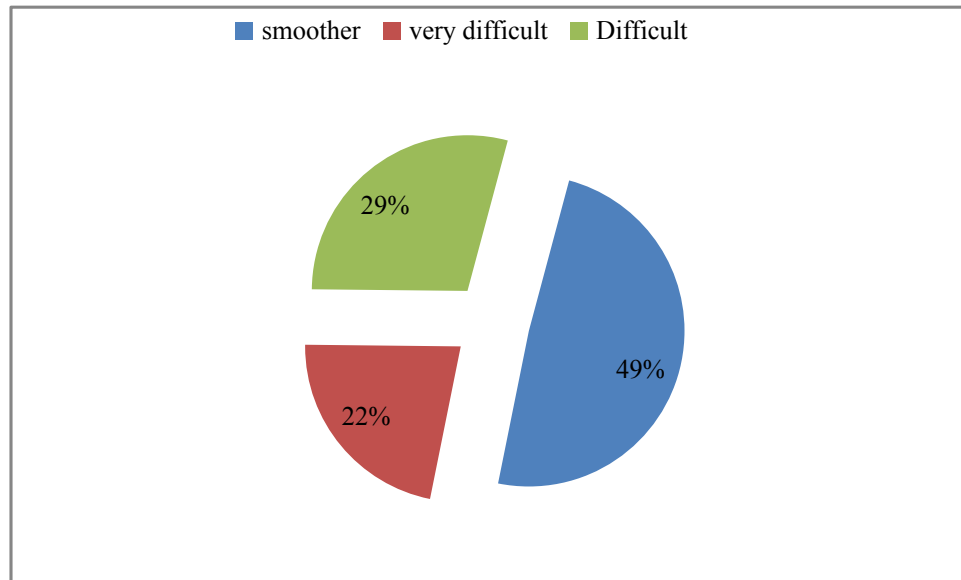
Table No.1.12 Classification of the respondents are on the basis of “ GST will burden the people / consumers ?



Interpretation:

In above the figure observe that , respondents of the “NO” is more than the respondents “YES”. Where the, respondents thinks that GST is burden for the consumers and the people. Thus , the maximum respondents of the YES.

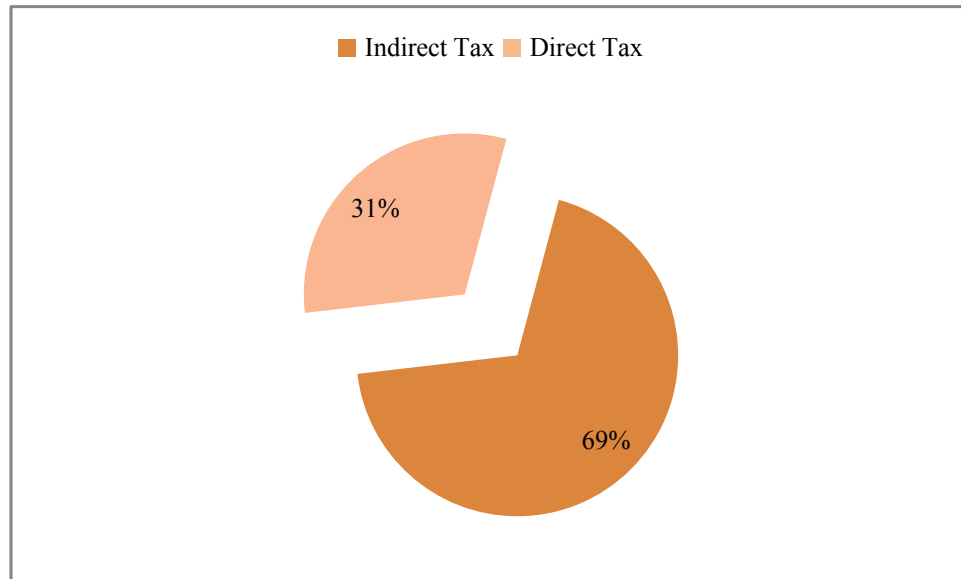
Table No. 1.13 Classification of the respondents are on the basis of “Is transition to GST regime was?”



Interpretation:

From above the table 1.13 observe that the respondents of the “Smoother” 49 is maximum, after that the response of the observation is “Difficult” 29% and rest is “Very difficult” 22%. Thus, the majority of the Smoother respondents is maximum.

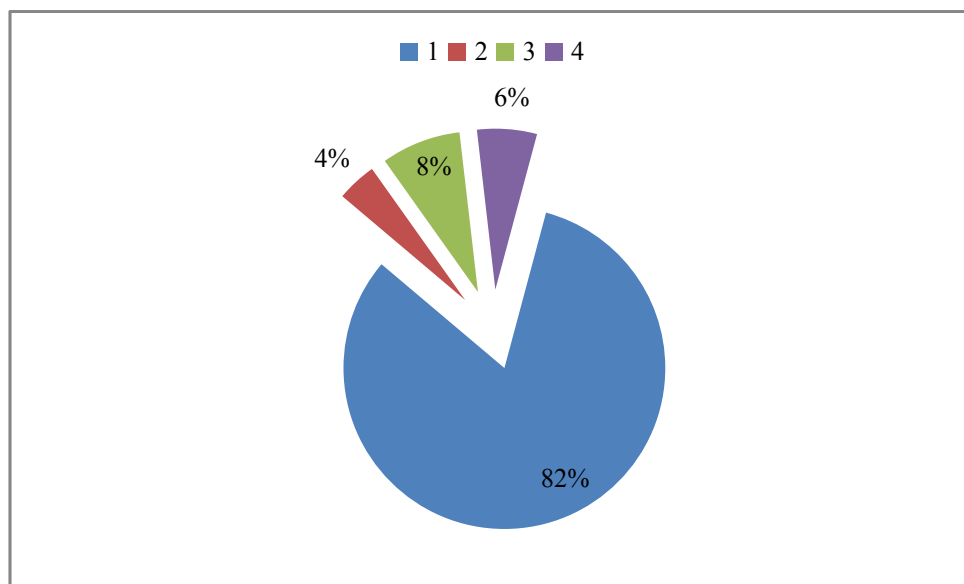
Table No. 1.14, Classification of respondents are on the basis of the “GST” is a what kind of TAX?



Interpretation :

From the above chart, the respondents of the “Indirect Tax” is maximum 69% and the respondents of the “Direct Tax” is 31%. Thus it conclude that most of the respondents is think GST is indirect Tax. And they know about the GST benefits. GST tax is indirect Tax.

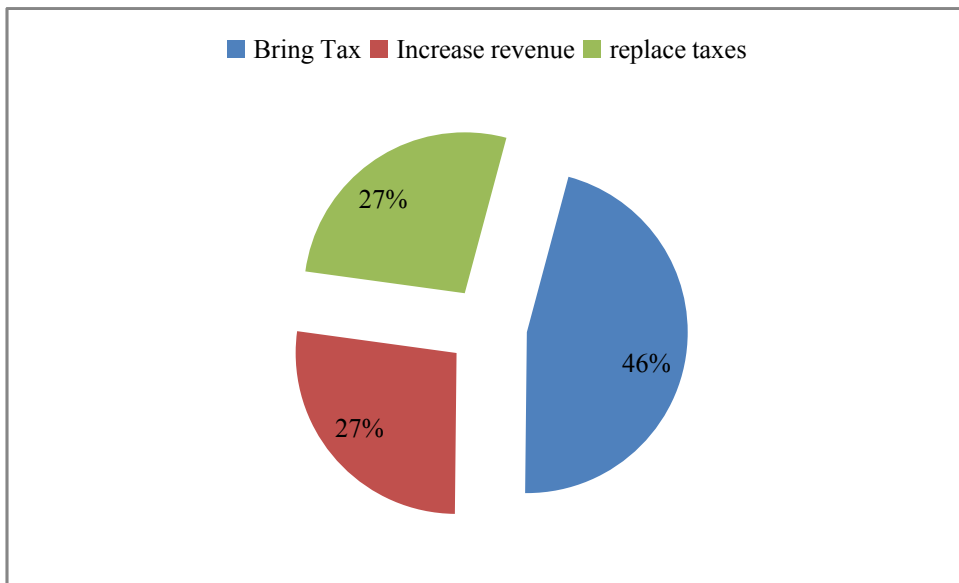
Table No. 1.15, Classification of the respondents on the basis of the “ which of the Tax Rate is not applicable under the GST”?



Interpretation:

According to the observation of the respondents, the majority of the tax rate 25% is maximum, that is 82%, and after that tax rate 25%, 5% of the tax rate is 8% of the respondents and the rest of the respondents are 6% of the 12% and 4% of the 18% of the GST slabs.

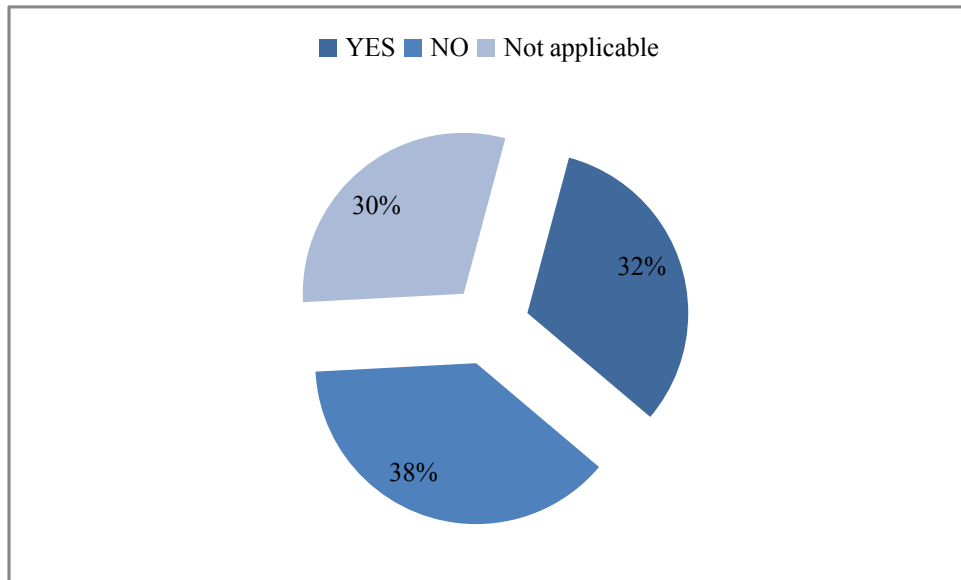
Table No.1.16 Classification of respondents are on the basis of the “motive of the government behind the introduction of the Goods and services Tax”



Interpretation:

From the above charts observe that the respondents majority of “to bring tax uniformity in the country” is 46%, 27 % of the , “ to increase government revenue” and the rest of the respondents are 27% that is “ To replace all the indirect tax”.

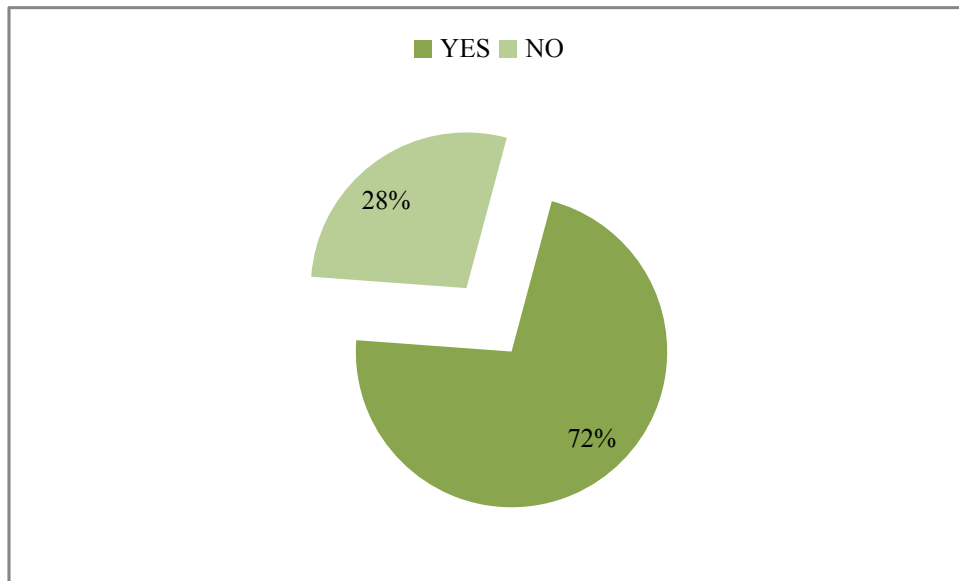
Table No. 1.17, Classification of the respondents on the basis of “ facing significant issues in compliance with e-mail bill mechanism?”



Interpretation :

According to, the chart observation the respondents majority satisfaction is NO that is 38%, and the 32% of the respondents are YES and rest of the respondents are not applicable that is 30%. Thus , it conclude that the respondents are get higher satisfaction of the GST , e- way bill mechanism.

Table No. 1.18 Classification of the respondents are on the basis of “GST regime bring in friendly environment to business”?



Interpretation:

From the table no. 1.18, in the above figure observe that the majority of respondent is satisfied that is 74% and the rest of the respondents are 26%. It conclude that the respondents are satisfied with GST , which make environment friendly.

Table No. 1.19 , Classification of the respondents are on the basis of “ suggestion changes in the existing laws under the proposed GST”?

Can you suggest any changes to the existing laws so as to reduce the compliance costs under the proposed GST?

41 responses

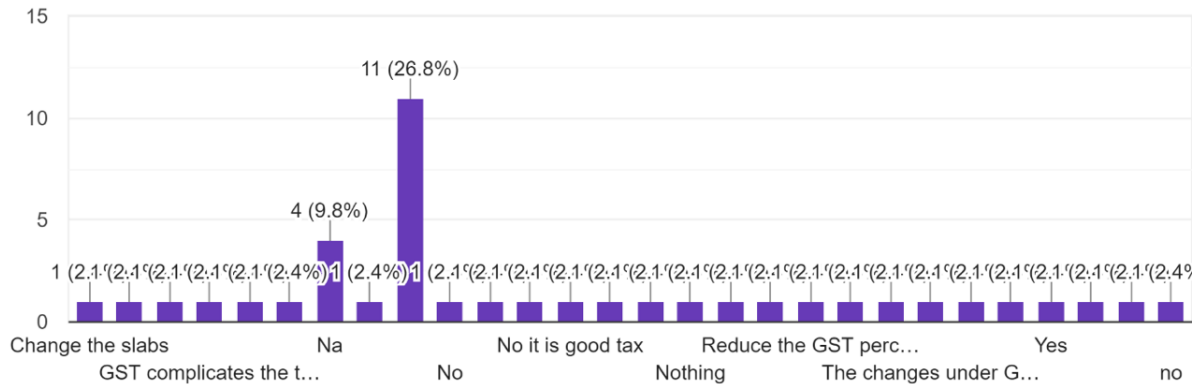
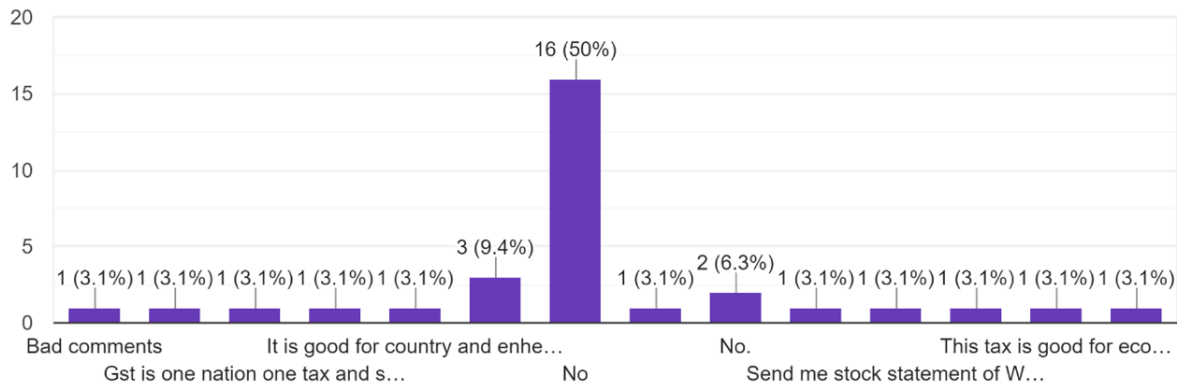


Table No. 1.20 Classification of respondents on the basis of the suggestion regarding GST implemented in India.

Any suggestion

32 responses



FINDINGS

After the completion of our survey work, I come to know about these findings which are as-:

1. Maximum number of respondents are male accounting 60%
2. The main age bracket of respondents is in between 25 years to 40 years which accounts 70%.
3. About 50% of respondents are college going students.
4. About 30% of respondents are businessman and 20% respondents are common citizens.
5. About 70% respondents are in favor of GST and they think that it is game changer for Indian economy in long run.
6. Most of the respondents have thinking that GST is fair taxation system and it will boost up the Indian economy.
7. Most of the respondents understand the difference in older taxation system and GST and they are aware of it.
8. Most respondents think that GST is complex taxation system and it increases the paper work.
9. Most respondents want to discuss this reformation of taxation system for their clear vision on future aspects.
10. Most respondents admitted that they are aware of GST in general but they are not completely aware of its all provisions.
11. Most respondents did not understand the exemptions of oil sector.
12. Overall, respondents want clear image of taxation system and they are in support of union government over GST.

SUGGESTION

1. Respondents suggested that Government should have make this taxation system more simple and easy to understand by common people.
2. Consumers give advice that tax slab should be more uniform and more clear.
3. Government should have trained officials on large numbers so that consumers should not face confusion.
4. Government should have make arrangements for the better understanding of GST for farmers.
5. Union Government should make good coordination with state government.
6. Oil sector should be including in GST.
7. Government should make proper guidelines for citizens. Guidelines must have its all provisions and its implementation.
8. GST council should have proper coordination with other sectors.
9. Any disputes regarding GST should resolve in protective and speedy manner.
10. Taxation amount generated through GST must be used with proper planning and execution by government so that every citizen will benefitted.

CONCLUSION

From this survey work, I conclude that there are lots of work still to be done by government.

This survey work which includes the common people from Noida, UP and they have good understanding of GST. The consumers are hopeful for our new taxation system and they have positive attitudes towards GST. Government should have to make more efforts in execution of GST. Consumers still struggle to understand the whole complex tax structure. Government authority in Noida should start awareness program regarding GST on the root level of society. Government must ensure that every citizen should get benefitted from GST. I finally come to on conclusion that it is good step towards making our economy bigger and stronger. It is step towards building our nation.

REFERENCE

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3. **"GST impact: Trucks' travel time in interstate movement drops 20%, says govt"**
4. **"What is GST, how is it different from now: Decoding the indirect tax regime"**
5. <http://www.financialexpress.com/economy/interstate-e-way-bill-phased-roll-out-from-april-15/1128842/>

QUESTIONNAIRE

A study on "Consumer Perception Towards GST(Goods and Service Tax)- One Nation ,One Tax". in Noida, Uttar Pradesh

PART1

Full Name:

Contact No:

E-mail Id:

1.Sector/Product

2.Category

- Manufacturing
- Service
- Trading
- Option4

3.Please 'Tick' your choice----- ' Gender'

- Male
- Female

4.Status

- Married
- Unmarried

5.Age Group

- Below 25
- 25-40
- Above 40

6. Occupation

- Businessman
- Serviceman
- Professional
- Any other

PART2

7. Do you think implementing GST will cause higher price of Goods and Services?

- YES
- NO

8. Do you feel that the introduction of GST in India has affected the demand for the products and Services?

- Positively
- Negatively
- No impact

9. Which of the following items / services is (are) not subject to GST?

- Cooking oil
- Sugar
- Clinic
- Books

10. Do you think all business need to be Registered under GST?

- YES
- NO

11. Which system do you think is more beneficial to both Government and People ?

- Goods and Services
- Sales Tax and Service Tax

12. Do you think GST will burden the people/consumer?

- YES
- NO

13. In your opinion, which of the following tax rate is not applicable under GST?

- 5%
- 12%
- 18%
- 25%

14. In your opinion, which of the following is the main motive of the government behind the introduction of Goods and services Tax?

- To bring tax uniformity in the country
- To increase government revenue
- To replace all the indirect Tax

15. Do you think transition to GST regime was?

- Smoother
- Difficult
- Very difficult

1. Are you facing any significant issues in compliance with e-bill mechanism?

- YES
- NO
- Not Applicable

17. Do you think that matching of ITC is useful to the taxpayer as it can be disputed in future?

- YES
- NO

18. Do you feel, advance ruling mechanism under GST regime brings in a friendly environment to businesses?

- YES
- NO

19. Can you suggest any changes to the existing so as to reduce the compliance costs under the proposed GST?

20. Any Suggestion.

