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A STUDY ON THE STUDENTS OPINION AND AWARENESS ABOUT GST IMPLIMENTATION WITH SPECIAL REFERENCE TO CSIBER COLLEGE, KOLHAPUR

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Abstract:

GST is also known as Goods and Services Tax is defined as the giant indirect tax structure designed to support and enhance the economic growth of the country. GST is a 'One Nation, One Tax'. It is a comprehensive tax that will integrate all direct taxes of states and central government. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017 and came into effect on 1st July 2017. It was implemented in July 2017, with main tax slabs of 0%, 5%, 12%, 18% and 28%. This single indirect tax has subsumed many indirect taxes of central and state government such as VAT, central excise duty, central sales tax, service tax etc. GST is expected to effect of the existing tax structure and result in uniting the country economically.

Keywords: GST, VAT, indirect tax, central and state government

Introduction:

The only source of income for the Indian government is the collection of the tax, and the major source of the tax is indirect tax which is also known as GST. Which defines 'one tax, one nation. Before 1 July 2017 there were many state taxes imposed on the name on indirect tax like luxury tax, VAT tax, state tax, central tax, purchase tax, entry tax, entertainment tax, taxes on lottery, and central taxes like central excise duty, service tax, special additional duty of custom etc. are implemented. It is levied at the point where the goods are originating. Worldwide 160 countries have implemented GST up till now. Most of the countries have a unified GST system while India has adopted dual GST system like Canada where tax is imposed by both central and state

governments.

The implication of GST included dual taxation system i.e. Central GST (CGST), State GST (SGST), Integrated GST (IGST). If the location of supplier and buyer are in the same state then the seller has to collect both CGST and SGST from buyer, and revenue will be shared equally between the Centre and the State Government. The tax rate slab introduced are 0%,5%,12%,18%and 28%. However, petroleum products, alcoholic drinks and electricity are not taxed under GSTand 3% GST was implemented on gold. Pre-GST, the statutory tax rate for most goods was 26.5%, Post-GST, most goods are expected to be in the 18% tax range. Implication of GST was not an easy task, to make 133 crores people understand about the new system especially where people hesitate to accept changes is the biggest challenges.

There are three taxes applicable under this system: CGST, SGST & IGST.

- **CGST:** It is the tax collected by the Central Government on an intra-state sale
- **SGST:** It is the tax collected by the state government on an intra-state sale
- **IGST:** It is a tax collected by the Central Government for an inter-state sale

Objectives of GST:

1. To achieve the ideology of 'One Nation, One Tax':

GST has replaced multiple indirect taxes, which were existing under the previous tax regime. The advantage of having one single tax means every state follows the same rate for a particular product or service. Tax administration is easier with the Central Government deciding the rates and policies.

2. To subsume a majority of the indirect taxes in India:

India had several erstwhile indirect taxes such as service tax, Value Added Tax (VAT), Central Excise, etc., which used to be levied at multiple supply chain stages. Some taxes were governed by the states and some by the Centre. There was no unified and centralised tax on both goods and services. Hence, GST was introduced. Under GST, all the major indirect taxes were subsumed into one. It has greatly reduced the compliance burden on taxpayers and eased tax administration for the government.

3. To eliminate the cascading effect of taxes:

One of the primary objectives of GST was to remove the cascading effect of taxes. Previously, due to different indirect tax laws, taxpayers could not set off the tax credits of one tax against the other. For example, the excise duties paid during manufacture could not be set off against the VAT payable during the sale. This led to a cascading effect of taxes. Under GST, the tax levy is only on the net value added at each stage of the supply chain. This has helped eliminate the cascading effect of taxes and contributed to the seamless flow of input tax credits across both

goods and services.

4. To curb tax evasion:

GST laws in India are far more stringent compared to any of the erstwhile indirect tax laws. Under GST, taxpayers can claim an input tax credit only on invoices uploaded by their respective suppliers. This way, the chances of claiming input tax credits on fake invoices are minimal. The introduction of e-invoicing has further reinforced this objective. Also, due to GST being a nationwide tax and having a centralized surveillance system, the clampdown on defaulters is quicker and far more efficient. Hence, GST has curbed tax evasion and minimized tax fraud from taking place to a large extent.

5. To increase the taxpayer base:

GST has helped in widening the tax base in India. Previously, each of the tax laws had a different threshold limit for registration based on turnover. As GST is a consolidated tax levied on both goods and services both, it has increased tax-registered businesses. Besides, the stricter laws surrounding input tax credits have helped bring certain unorganized sectors under the tax net. For example, the construction industry in India.

6. Online procedures for ease of doing business:

Previously, taxpayers faced a lot of hardships dealing with different tax authorities under each tax law. Besides, while return filing was online, most of the assessment and refund procedures took place offline. Now, GST procedures are carried out almost entirely online. Everything is done with a click of a button, from registration to return filing to refunds to e-way bill generation. It has contributed to the overall ease of doing business in India and simplified taxpayer compliance to a massive extent. The government also plans to introduce a centralized portal soon for all indirect tax compliance such as e-invoicing, e-way bills and GST return filing.

7. An improved logistics and distribution system:

A single indirect tax system reduces the need for multiple documentation for the supply of goods. GST minimizes transportation cycle times, improves supply chain and turnaround time, and leads to warehouse consolidation, among other benefits. With the e-way bill system under GST, the removal of interstate checkpoints is most beneficial to the sector in improving transit and destination efficiency. Ultimately, it helps in cutting down the high logistics and warehousing costs.

8. To promote competitive pricing and increase consumption:

Introducing GST has also led to an increase in consumption and indirect tax revenues. Due to the cascading effect of taxes under the previous regime, the prices of goods in India were higher than in global markets. Even between states, the lower VAT rates in certain states led to an imbalance of purchases in these states. Having uniform GST rates have contributed to overall competitive pricing

across India and on the global front. This has hence increased consumption and led to higher revenues, which has been another important objective achieved.

Review of literature:

1. Impact of GST on Economy and Businesses, PHD RESEARCH BUREAU PHD CHAMBER OF COMMERCE AND INDUSTRY -Implementation of Goods and Service Tax, GST has made India attractive across the world and has created a common market for more than 125 core people. GST was implemented in July 2017, with main tax slabs of 0%, 0.25%, 3%, 5%, 12%, 18% and 28%. Many indirect taxes were merged into a single tax on goods and services, right from manufacturer to consumer. Implementation of GST was a historic move and it complemented India's move towards the fastest growing economy in the world. Implementation of GST resulted in increase in the government revenue vis-a-vis better tax compliance and reduced tax evasion, enabling greater control and facilitating efficient monitoring than the traditional taxation system. From the consumer point of view, the biggest advantages are in the terms of reduction in the overall tax burden on goods, free movement of goods from one state to another without stopping at state borders for hours for payment of state tax or entry tax and reduction in paperwork to a large extent.
2. Awareness of Implementation of Goods and Services Tax (GST) Among College Students' in Sivakasi S.Muthupandi¹, Dr. A. Joseph Xavier² Research Scholar, Assistant Professor Department of Commerce Ayya Nadar Janaki Ammal College, Sivakasi, Tamil Nadu, India-Introduction of GST would be a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax and allowing set-off of prior-stage taxes, it would mitigate the ill effects of cascading and pave the way for a common national market. Some of them gave positive responds and some others gave negative feedbacks as the implementation has resulted in higher prices for goods and services and thus this tax may cause burden to people. Therefore, this study was carried out to identify student's awareness and knowledge on the implementation of Goods and Service Tax (GST).
3. AWARENESS AND IMPACT OF GST AMONG SMALL BUSINESS OWNERS: A STUDY OF MANDSAUR CITY IN M.P., Suniti Saini, Dr. Mukesh K. Sharma-GST (Goods and Service tax) is a visionary step intended towards rationalizing the giant indirect tax system in India. The implementation of GST is reducing tax burden and enhancing the ease of doing business in the country. The impact of GST has two key segments weight; one is to the business and second is to the customers who are the actual bearer of tax costs. Indian unorganized sector and portion of industry those who are enjoying the exemption will also contribute significantly to the growth of countries GDP. The basic purpose of conducting the study is to know the

awareness level of small businessman towards GST and to assess the actual impact as they are facing. As it is known that impact will be there either on manufacturing or selling but to know the extent of impact and level of satisfaction study is conducted

Objective:

1. To know about the awareness level of implementation of GST in students.
2. To identify the different opinion of students on implementation of GST.

Research methodology:

The methodology of the study includes sampling, data collection and some tools are used in this study.

A. Sampling:

The samples are collected from 96 students in CSIBER college.

B. Collection of data:

The research study is based on the primary data. The primary data is collected from the students.

C. Tools used:

Simple percentage method –

It refers to the special type of rate, which is used in comparison between the source of two data.

Limitations:

1. Collected data was limited due to time constrain.
2. The present paper highlight opinion and awareness of GST among students.

Area of this study was limited.

Data Analysis and Interpretation:

The analysis of survey data is an important step in the process. It will help to understand more about the respondent under study, and guide the authorities towards better decision.

Chart 1. Awareness about GST bill.

Do you know about GST bill?
94 responses

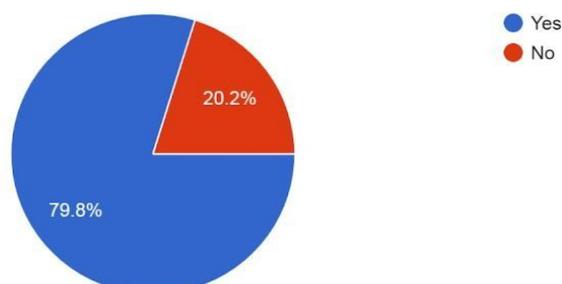


Chart 1 shows that the 79.8% respondents having knowledge about GST bill Chart 2. Source of information of GST

How you got the information of GST?

91 responses

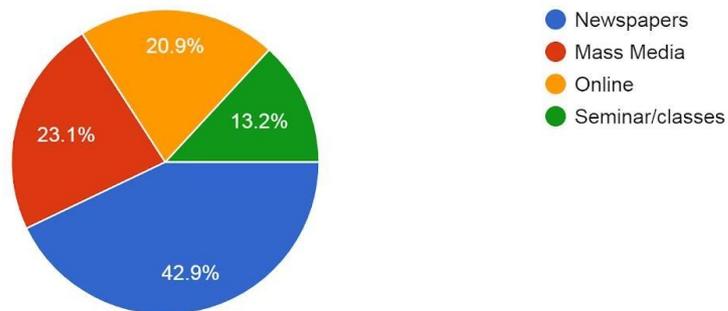
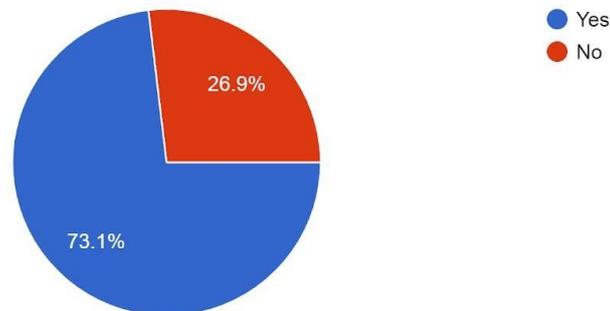


Chart 2, shows that, out of 96 respondents majority of the respondents got information on GST from Newspaper, 23.1% from mass media, 20.9% from online and 13.2% got information from seminars.

Chart 3.knowledge about proposed rates of GST

Do you know about the proposed rates of GST?

93 responses



From the Chart 3, it is clear that major of the respondents are aware about the proposed rates of the GST.

Chart 4.Does GST help India to become a developed country

GST can help India to become a developed country?

92 responses

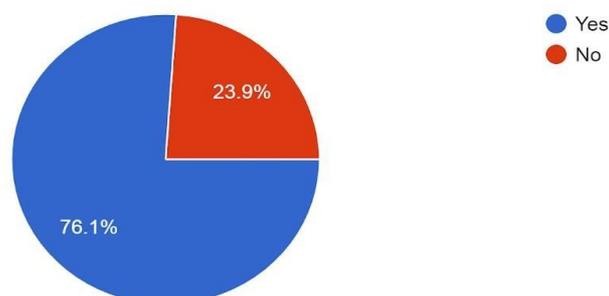
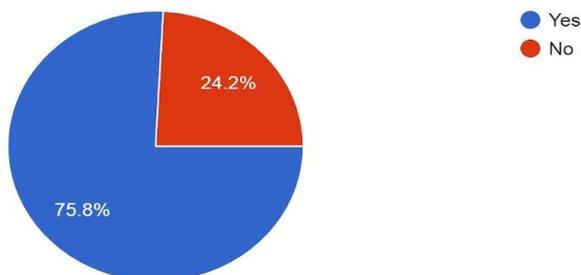


Chart 4, shows that the 76.1% respondents says GST help India to become a developed country, others says no.

Chart 5, Does GST effect on consumption behaviour

Does GST effect on consumption behavior?

91 responses

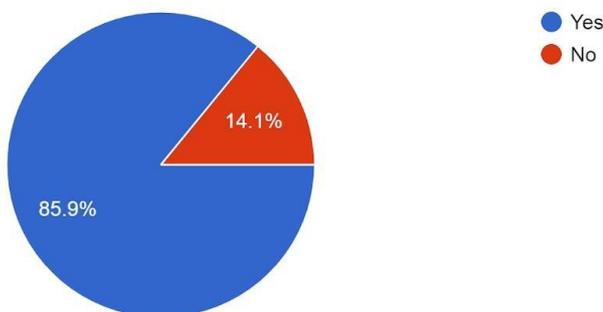


From chart 5, 75.8% respondents are agreed that the GST effect on consumption behavior And24.2% are not agreed.

Chart 6, satisfaction with the principle of 'One Nation, One Tax'

Do you satisfy with "one nation, one tax?"

92 responses

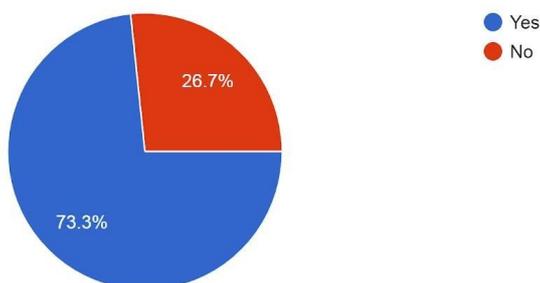


The above chart shows the opinion of the respondents on the principle of 'One Nation,One Tax'. Among 96 respondents majority of the respondents are satisfied.

Chart 7, Is GST a fair Tax

Do you think GST is a fair tax?

90 responses

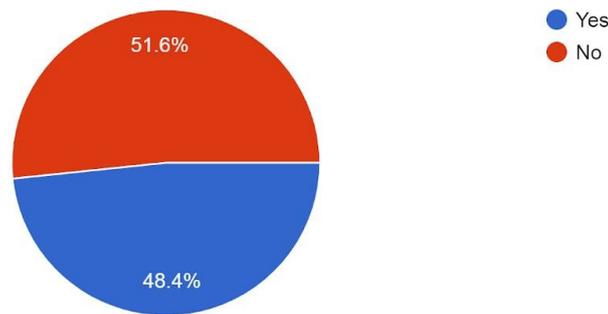


The above graph shows that out of 96 respondents, 73.3% of respondents argued that the GST is a fair tax and the rest are argued GST not a fair tax.

Chart 8, The government had given enough awareness before the implimentation of GST

Do you think the government had given enough awareness before the implementation of GST?

91 responses



The above graph shows that the out of 96 respondents, 48.4 % of respondents agreed that the government had given enough awareness before the implementation of GST.

Findings:

1. It is found that majority of the students are aware of new GST bill.
2. Most of the students are aware of GST through Newspaper.
3. Majority of the public know about the proposed rate of GST.
4. It is found that 75.8% respondents are agreed that the GST effect on the consumption behavior.
5. It is found that 76.1% respondents says GST help India to become a developed country.
6. The analysis revealed that 85.9% respondents are satisfied with the principle of "One Nation, One Tax".
7. It is found that 73.3% respondents argued that GST is a fair tax.
8. It is found that the 48.4% respondents agreed that the government had given enough awareness before implementation of GST.

Suggestions:

1. The students suggested that there should be a smooth, transparent a simple transition provision which is easily understandable.
2. Special focus on awareness and training of all officers, professional and also students.
3. An expert panel should be formed for the solution of public problems.
4. The public are not well informed on the benefits of the GST.

Conclusion:

The Indian government proposing to implement GST as a tool to increase its revenue and reduce its deficit. The implementation of GST is a changing face of India which is a welcome move and the government should be well equipped for that which is a symptom of fast paced economy. Finding of this study shows that the level of awareness on the benefits of GST among Indians is still relatively low. It could be due to the lack of knowledge or information regarding GST. For these reasons, the government should take an initiative for the training and increase the knowledge of GST among Indians.

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1. Impact of GST on Economy and Businesses, PHD RESEARCH BUREAU PHD CHAMBER OF COMMERCE AND INDUSTRY
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